SUPREME COURT OF THE UNITED STATES

OCTOBER TERM, ~~1964~~ 1965

No. ~~598~~ 12

THE WESTERN PACIFIC RAILROAD COMPANY, ET AL., APPELLANTS,

vs.

UNITED STATES, ET AL.

APPEAL FROM THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF CALIFORNIA

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[fol. 1] Secretary's Certificate to following transcript (omitted in printing).

[fol. 5]

BEFORE THE

INTERSTATE COMMERCE COMMISSION

Docket No. 33679

THE WESTERN PACIFIC RAILROAD COMPANY, SACRAMENTO NORTHERN RAILWAY, and TIDEWATER SOUTHERN RAILWAY COMPANY, Complainants,

vs.

CAMAS PRAIRIE RR. CO., GREAT NORTHERN RAILWAY COMPANY, NORTHERN PACIFIC RAILWAY COMPANY, PACIFIC COAST RR. CO., SPOKANE INTERNATIONAL RAILROAD COMPANY, UNION PACIFIC RAILROAD COMPANY, WALLA WALLA VALLEY RAILWAY COMPANY, WASHINGTON, IDAHO & MONTANA RAILWAY COMPANY, and THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY, Defendants.

COMPLAINT—Filed February 10, 1961

To the Interstate Commerce Commission:

The complainants, The Western Pacific Railroad Company, Sacramento Northern Railway and Tidewater Southern Railway Company, hereby charge that they are unlawfully prevented from publishing competitive through joint rates and competitive through routes with the defendants, Camas Prairie RR. Co., Great Northern Railway Company, Northern Pacific Railway Company, Pacific Coast RR. Co., Spokane International Railroad Company, Union Pacific Railroad Company, Walla Walla Valley Railway Company, Washington, Idaho & Montana Railway Company, and The Atchison, Topeka and Santa Fe Railway Company, on [fol. 6] freight traffic moving between California points on

the one hand, and points on defendants' lines in Oregon, Washington and Idaho on the other.

Complainants serve the territory herein involved through, and together with its connections, The Atchison, Topeka and Santa Fe Railway Company and the Great Northern Railway Company, and as the complainants seek the prescription of through routes and joint rates to which these carriers will be necessary parties, they are herein named as defendants. However, the defendants, The Atchison, Topeka and Santa Fe Railway Company and the Great Northern Railway Company, have clearly stated their willingness to voluntarily join with complainants in the establishment of the sought through routes and joint rates between points in California and points on the lines of the other defendants in Oregon, Washington and Idaho.

By this complaint, therefore, complainants respectfully show:

I

That the complainants, The Western Pacific Railroad Company, Sacramento Northern Railway and Tidewater Southern Railway Company, hereinafter referred to as "Western Pacific", "Sacramento Northern", "Tidewater Southern", or "complainants", are all corporations organized and existing under the laws of the State of California; that they are all common carriers by railroad engaged in [fol. 7] the transportation of property in interstate and foreign commerce and as such are all subject to the provisions of the Interstate Commerce Act.

II

That all of the defendants, hereinafter referred to as "Northern Pacific", "Union Pacific", "Great Northern", "Santa Fe", or in the case of Camas Prairie, Pacific Coast, Spokane International, Walla Walla Valley, Washington, Idaho & Montana, as the "short line connections of defendants Northern Pacific and Union Pacific", are common carriers by railroad engaged in the transportation of prop-

erty in interstate and foreign commerce and as such common carriers are subject to the provisions of the Interstate Commerce Act.

III

That the complainant, Western Pacific, is an integral part of a north-south route via Bieber, California, which route is known as the "Inside Gateway"; that the "Inside Gateway" route is composed principally of Western Pacific and the defendants, Great Northern and Santa Fe, and serves among others, points in California on the one hand, and points in Oregon, Washington and Idaho on the other; that the principal California terminals of this route are at San Diego and Los Angeles, California, on the Santa Fe; on Western Pacific in the San Francisco-Oakland, California, Metropolitan Area; and that the principal northern [fol. 8] terminals are on the Great Northern at Portland, Oregon, and Seattle and Spokane, Washington.

That the complainant, Western Pacific, connects with the defendant, Santa Fe, at Stockton, California, and with the defendant, Great Northern, at Bieber, California; that the defendant, Great Northern connects with the defendants, Union Pacific and Northern Pacific, at Portland, Oregon; that the complainants, Sacramento Northern and Tidewater Southern serve points in northern California and connect with the complainant, Western Pacific, at various points in northern California.

IV

That defendants, Northern Pacific and Union Pacific, with their short line connections, also named herein as defendants, make up a north-south route between California and other points, on the one hand, and on the other, points and places in the States of Oregon, Washington and Idaho, via connections with the Southern Pacific Company at Portland, Oregon; that through routes and joint through rates now exist and have for many years existed for the routing of traffic between points on the Northern Pacific and Union

Pacific, including their short line connections and points in various western states, including southern and northern California, served by the Southern Pacific Company and the defendant, Santa Fe: That the following named tariffs [fol. 9] are representative of those which publish such through routes and joint through rates:

Tariff Number	*I.C.C. Number of Pacific Southcoast Freight Bureau, Agent*
1-S	1352
60-M	1420
80-I	1536
241-E	1577
295-D	1677
297-D	1678
1016	1590

V

That complete interchange facilities have existed for many years and now continue to exist between the complainant, Western Pacific, and the defendant, Great Northern, at Bieber, California, and between the complainant, Western Pacific, and defendant, Santa Fe, at Stockton, California; and between the complainant, Western Pacific, and the complainants, Sacramento Northern and Tidewater Southern, at various northern California points; that complete interchange facilities now exist and for many years have existed between the defendants, Northern Pacific and Union Pacific and defendant, Great Northern, at Portland, Oregon.

VI

That complainants have requested defendants, Northern Pacific, Union Pacific and their short line connections, to [fol. 10] join complainants and the Santa Fe and Great Northern, in the publication of through rates and divisions between California points and points in Oregon, Washington and Idaho; that such through rates and divisions have

been sought on the same basis as that granted by said defendants to complainants' competitor, the Southern Pacific Company; that defendants, Northern Pacific and Union Pacific, together with their short line connections, unlawfully refuse to join with complainants and the Santa Fe and Great Northern in such joint through routes and rates as they have accorded the Southern Pacific on traffic between the territory herein described; that this refusal has been complete except to the very limited extent that the defendants have joined with the defendant, Great Northern and the complainant, Western Pacific, in joint through rates and routes via Bieber on motor vehicles originating at Decoto and Melrose (Oakland), California, and on cast iron pipe from Decoto, California, and to those instances where the Interstate Commerce Commission has heretofore prescribed through routes and joint rates such as on livestock and the Class Rates.

VII

That by reason of this unlawful and unreasonable refusal, the combination of rates and charges are the applicable rates and charges on traffic moving via the "Inside Gateway" between points in Oregon, Washington and Idaho on lines of the defendants, Northern Pacific and Union [fol. 11] Pacific and their short line connections, and points in northern and southern California. Such combination rates exceed the joint through rates over Portland, Oregon, which apply when the routing south of Portland is via Southern Pacific Company only, or via Southern Pacific Company and Santa Fe.

VIII

That by reason of the relationship of rates outlined in paragraph VII herein, complainants are unable to compete with the Southern Pacific Company for traffic moving between points in California and points in Oregon, Washington and Idaho on the lines of the defendants, Northern Pacific and Union Pacific and their short line connections named as defendants herein.

IX

That this refusal and failure by defendants, constitutes a violation of Sections 1(4) and 3(4) of Part I of the Interstate Commerce Act and is contrary to the provisions of the National Transportation Policy.

X

That the Commission is requested to prescribe just, reasonable and nondiscriminatory competitive joint through rates, charges, practices and through routes applicable to the transportation of freight traffic moving between points in California and points in the States of Oregon, Washington and Idaho via the "Inside Gateway" through Port- [fol. 12] land, Oregon, so that complainants and defendants, Great Northern and Santa Fe, may participate on a basis equal to that being maintained by the defendants, Northern Pacific and Union Pacific and their short line connections, with complainants' competitor, Southern Pacific Company, also through Portland, Oregon.

XI

That complainants are willing, and they are informed that their connections, Santa Fe and Great Northern, are also willing to voluntarily establish such just, reasonable, equitable, nonpreferential and nonprejudicial divisions as will assure the Northern Pacific, Union Pacific and their short line connections the same earnings under the sought routes and rates as the latter carriers are now earning on the involved traffic which they now interchange with the Southern Pacific Company at Portland, Oregon, when and if the sought rates are made effective; that this proceeding should be held open to allow the parties an opportunity to voluntarily establish such just, reasonable, equitable, nonpreferential and nonprejudicial divisions; that in the event of failure to voluntarily establish such divisions the proceeding should be assigned for further hearing so that the Commission may determine and prescribe just, reasonable,

equitable, nonpreferential and nonprejudicial divisions as between the parties.

XII

That the traffic covered by this complaint, and the re- [fol. 13] lief sought thereon, includes freight traffic generally of whatever description or class of service, together with all terminal services, allowances, transit and other privileges, including, but not limited to diversion and reconsignment in connection therewith; that the relief is sought wherever such arrangements do not already exist via the "Inside Gateway" in conjunction with complainants; that complainants seek equal treatment with their competitor, Southern Pacific Company, on traffic moving between points in California on the one hand, and points on the lines of the Northern Pacific and Union Pacific and their short line connections in Oregon, Washington and Idaho on the other; that complainants seek this relief of such equal treatment to the same extent and/or on the same basis as such joint rates, routing and privileges are now, or in the future may be, accorded their competitor, Southearn Pacific Company and its connections.

XIII

That by reason of the facts stated in the foregoing paragraphs, the failure and refusal of the defendants to establish competitive joint through rates and charges and through routes applicable to the freight traffic from and to the points hereinabove described, constitute violations by defendants of Sections 1(4) and 3(4), Part I of the Interstate Commerce Act; are contrary to the National Transportation Policy; and deprive the public and complainants of the use of reasonable through routes at reasonable and [fol. 14] nondiscriminatory through joint rates which are necessary and desirable in the public interest.

Wherefore, complainants pray that defendants may be severally required to answer the charges herein; that after due hearing and investigation, an order of the Commission

be made commanding said defendants, and each of them, to cease and desist from the aforesaid violations of the Interstate Commerce Act and the National Transportation Policy and requiring said defendants to establish, put in force, maintain and apply in the future to the transportation of the freight traffic hereinabove described in lieu of the existing unjust, unreasonable and discriminatory combination rates and charges and practices, just, reasonable, nondiscriminatory and competitive joint through rates, charges and practices and through routes; in the event defendants fail and refuse voluntarily to establish just, reasonable, equitable, nonpreferential and nonprejudicial divisions of said joint rates and charges, the Commission by its order determine and prescribe such divisions; and that the Commission enter such other and further order or orders as it may deem meet and proper in the circumstances.

Dated at San Francisco, California, this 6th day of [fol. 15] February, 1961.

Respectfully submitted,

Walter G. Treanor, 526 Mission Street, San Francisco 5, California, Attorney for Complainants.

[fol. 17]

BEFORE THE INTERSTATE COMMERCE COMMISSION

ICC 33679

[Title omitted]

SEPARATE ANSWER OF THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY—Filed March 2, 1961

For answer to the complaint herein, defendant, The Atchison, Topeka and Sante Fe Railway Company states that it is willing to join with complainants and other rail carriers in establishing the joint rates and through routes which complainants ask the Commission to prescribe, and

therefore consents to the entry against it of appropriate orders granting the relief prayed for by complainants.

The Atchison, Topeka and Santa Fe Railway Company, By Roland J. Lehman, S. R. Brittingham, Jr., Its Attorneys.

1211 Railway Exchange, Chicago, Illinois.

Dated: February 28, 1961.

[fol. 18] Certificate of Service (omitted in printing).

[fol. 19]

BEFORE THE INTERSTATE COMMERCE COMMISSION

Docket No. 33679

[Title omitted]

SEPARATE ANSWER OF NORTHERN PACIFIC RAILWAY COMPANY, CAMAS PRAIRIE RAILROAD COMPANY and WALLA WALLA VALLEY RAILWAY COMPANY—Filed March 10, 1961

Come now the above-named defendants and in answer to the complaint in this proceeding respectfully state:

1. These defendants admit that they are common carriers by railroad engaged in the transportation of property in interstate and foreign commerce and are subject to the provisions of the Interstate Commerce Act as alleged in Paragraph II of said complaint.

2. Except as above admitted, these defendants deny each and every other allegation in said complaint.

Wherefore, defendants pray that the complaint in this proceeding be dismissed.

Northern Pacific Railway Company, Camas Prairie Railroad Company, Walla Walla Valley Railway Company, By M. L. Countryman, Jr., Earl F. Requa, Its Attorneys.

Dated: March 7, 1961.

1018 Northern Pacific Bldg., St. Paul 1, Minnesota.

[fol. 20] Certificate of Service (omitted in printing).

[fol. 21]

BEFORE THE INTERSTATE COMMERCE COMMISSION

Docket No. 33679

[Title omitted]

ANSWER OF UNION PACIFIC RAILROAD COMPANY and SPOKANE INTERNATIONAL RAILROAD COMPANY—Filed March 13, 1961

The above-named defendants, for answer to the complaint in this proceeding, respectfully state:

1. These defendants admit that they are common carriers of property by railroad in interstate commerce subject to the provisions of the Interstate Commerce Act, as alleged in Paragraph II of said complaint.

2. These defendants deny each and every other allegation in Paragraphs I, III, IV, V, VI, VII, VIII, IX, X, XI, XII and XIII of said complaint.

Wherefore, defendants pray that the complaint in this proceeding be dismissed.

Union Pacific Railroad Company, Spokane International Railroad Company, By L. W. Hobbs, John J. Burchell, Their Attorneys.

Dated: March 10, 1961.

1416 Dodge Street, Omaha 2, Nebraska.

[fol. 22] Certificate of Service (omitted in printing).

[fol. 24]

BEFORE THE INTERSTATE COMMERCE COMMISSION

Docket No. 33679

[Title omitted]

ANSWER OF GREAT NORTHERN RAILWAY COMPANY and PACIFIC COAST R. R. Co.—Filed March 15, 1961

Defendants Great Northern Railway Company and Pacific Coast R. R. Co. for answer to the complaint herein:

I.

Admit and allege that they now are and have been willing to establish voluntarily on traffic moving between California and Idaho, Oregon and Washington via the "Inside Gateway" a general line of competitive joint through freight rates to and from stations reached via defendants Union [fol. 25] Pacific and Northern Pacific and their short-line connections. Such joint through freight rates would be equal to and competitive with those applicable via the route of Southern Pacific in connection with such other defendants. These answering defendants further admit and allege that they are willing to establish just, reasonable, equitable, nonpreferential and nonprejudicial divisions on traffic moving under such rates. These defendants allege, in addition, that to and from stations in Oregon, Washington and Idaho on their own lines and the lines of short-line connections of Great Northern there is now applicable a general line of joint through freight rates via the Inside Gateway competitive with rates via Southern Pacific. It is now and has been the policy of these answering defendants to preserve and foster the Inside Gateway as a route for all traffic between points in the states described moving under rates *within the control* of these answering defendants.

II.

To the extent that the complaint herein alleges a failure of the defendants Union Pacific, Northern Pacific and their short-line connections to join with complainants, Santa Fe, and Great Northern in joint through freight rates via the Inside Gateway fully competitive with those in which Union Pacific and Northern Pacific now participate in connection [fol. 26] with Southern Pacific, these answering defendants, Great Northern and Pacific Coast, allege that they have no control over and are not responsible for such failure. If the situation resulting therefrom is violative of any provisions of the Interstate Commerce Act or of the National Transportation Policy, these answering defendants, because of the facts stated in this answer, are not chargeable therewith.

Wherefore, these answering defendants pray that this Commission take such action with respect to the complaint herein as may be warranted by the facts to be shown by the parties and as shall be consistent with the allegations of this answer.

Dated March 13, 1961.

Anthony Kane, L. E. Torinus, R. P. Tjossem, Woodrow L. Taylor, Attorneys for Defendants Great Northern Railway Company and Pacific Coast R. R. Co., 175 East Fourth Street, St. Paul 1, Minnesota.

[fol. 27] Certificate of Service (omitted in printing).

[fol. 28]

BEFORE THE INTERSTATE COMMERCE COMMISSION

Docket No. 33679

[Title omitted]

ANSWER OF WASHINGTON, IDAHO, AND MONTANA RAILWAY COMPANY—Filed March 16, 1961

The above-named defendant, for answer to the complaint in this proceeding, respectfully states:

1. The defendant is a common carrier of property by railroad in interstate commerce subject to the provisions of the Interstate Commerce Act, as alleged in Paragraph II of said complaint.

2. The Washington, Idaho, and Montana Railway has a physical connection and interchange traffic ONLY with the Northern Pacific Railway Company and the Great Northern Railway Company at Palouse, Washington, and the Chicago, Milwaukee, St. Paul and Pacific Railway Company at Bovill, Idaho.

3. The Washington, Idaho and Montana Railway Company is a party to certain tariffs named in the complaint and does participate in through routes and joint rates with the Great Northern Railway Company and the Western Pacific Railway Company to the extent it has been requested and is able to handle traffic with the GN-WP.

4. The Washington, Idaho and Montana Railway Company does not have through routes and joint rates with the Northern Pacific Railway Company or other defendants (except the Great Northern Railway) since it is not the dominating factor in determining participation in sought routes and rates.

5. The Washington, Idaho and Montana Railway Company denies other allegations named in complaint.

Washington, Idaho and Montana Railway Company,
By A. K. Hinckle, Vice President.

Dated: March 10, 1961.

P. O. Box 600, Lewiston, Idaho.

[fol. 29] Certificate of Service (omitted in printing).

[fol. 31] [File endorsement omitted]

[fol. 32]

BEFORE THE INTERSTATE COMMERCE COMMISSION

Docket No. 33679

[Title omitted]

PETITION OF SOUTHERN PACIFIC COMPANY FOR LEAVE TO INTERVENE IN OPPOSITION TO COMPLAINT—Filed at Hearing, May 8, 1961

Comes now your petitioner, Southern Pacific Company, and respectfully represents that it has an interest in the matters in controversy in the above-entitled proceeding and desires to intervene in and become a party to said proceeding, and for grounds of the proposed intervention says:

I

Petitioner is a Delaware corporation which owns or operates property situated in the states of Oregon, California, Nevada, Arizona, Utah, New Mexico and Texas, and is a carrier by railroad subject to Part I of the Interstate Commerce Act.

[fol. 33] II

Petitioner's lines of railroad connect with the lines of railroad of defendants Northern Pacific Railway Company and Union Pacific Railroad Company at Portland, Ore. Through routes and joint rates exist and have existed for many years for the interchange of traffic between said defendants and petitioner, said through routes and joint rates covering freight traffic moving generally between

points on the lines of said defendants in Oregon, Washington and Idaho, on the one hand, and points in California, on the other hand. Said routes constitute reasonable through routes between said points, and said joint rates are just and reasonable.

III

The violation of section 3(4) of the Interstate Commerce Act alleged in the complaint in this proceeding raises the issue of the favorableness of the transportation conditions of the lines of railroad comprising the Bieber Route between Portland, Ore., and California points (referred to in paragraph III of said complaint), on the one hand, and the transportation conditions of the lines of petitioner between said points (referred to in paragraph IV of said complaint), on the other hand.

IV

The position of petitioner is in opposition to the relief sought in this proceeding.

Wherefore said Southern Pacific Company prays leave to intervene and be treated as a party hereto, with the [fol. 34] right to have notice of and appear at the taking of testimony, produce and cross-examine witnesses, and be heard by counsel upon brief or at the oral argument, if oral argument is granted.

Dated at San Francisco, Calif., this 5th day of May, 1961.

Charles W. Burkett, Jr., Attorney for Petitioner.

Duly sworn to by T. F. Ryan, jurat omitted in printing.

[fol. 37]

BEFORE THE INTERSTATE COMMERCE COMMISSION

Docket No. 33679

In the Matter of:

THE WESTERN PACIFIC RAILROAD COMPANY, et al.,
Complainants,

v.

CAMAS PRAIRIE RAILROAD COMPANY, et al., Defendants.

Transcript of Hearing—Monday, May 8, 1961

Room 226-A, Old Mint Building
Fifth and Mission Streets
San Francisco, California

• • • • • • •

[fol. 38]

PROCEEDINGS

Exam. Wright: Come to order, please, gentlemen.

• • • • • • •

APPEARANCES

Who appears for the complainant?

Mr. Treanor: Walter G. Treanor, 526 Mission Street, San Francisco, California. I am an attorney admitted to practice.

Exam. Wright: Any further appearances for the complainant?

Mr. Treanor: No, sir.

Exam. Wright: Who appears for the defendants?

Mr. Hobbs: L. W. Hobbs and William P. Higgins, 1416 Dodge Street, Omaha, Nebraska, appearing for the Union Pacific Railroad Company and the Spokane International Railroad Company. We have both been admitted to practice before the Commission.

Mr. Farrell: Frank S. Farrell, Room 1008, Northern Pacific Building, St. Paul, Minnesota.

I appear on behalf of the Northern Pacific Railway Company, Camas Prairie Railroad Company, and the [fol. 39] Walla Walla Valley Railway Company.

I am an attorney admitted to practice before this Commission.

Exam. Wright: Any further appearances on behalf of the defendants?

Mr. Tjosseni: R. Paul Tjosseni, 404 Union Street, Seattle 1, Washington, appearing for the Great Northern Railway Company. I am an attorney admitted to practice.

Mr. Pfrommer: Frederick G. Pfrommer, 114 Sansome Street, San Francisco. I am an attorney admitted to practice. I am appearing on behalf of the Atchison, Topeka and Santa Fe Railway Company, named as a defendant in this proceeding.

However, our formal answer already filed with the Commission states that we consent to the entry against us of appropriate orders granting the relief prayed for by complainant.

Exam. Wright: Any further appearances for the defendant?

Mr. Hinckle: My name is A. K. Hinckle, vice-president of the Washington, Idaho and Montana Railroad Company, named as a defendant.

My appearance today is in support of the complainant.

I am not admitted to practice before the Commission.

Exam. Wright: As a full-time employee, your appearance is noted.

Any further appearances?

Mr. Burkett: Mr. Examiner, my name is Charles W. Burkett, Jr. I am an attorney-at-law, admitted to prac- [fol. 40] tice before the Commission.

At this time I would like to tender a petition for leave to intervene in opposition to the complaint, original and one copy for you, one copy for the reporter, I believe.

Exam. Wright: Are there any further petitions for intervention?

(No response.)

Exam. Wright: Any further appearances?

Mr. Allen: Mr. Examiner, my name is A. R. Allen. I am manager of the Portland Freight Traffic Association. I am admitted to practice before the Commission.

Our appearance at this moment is as an interested party.

Should I have given my address on that, sir?

Exam. Wright: For the benefit of the reporter, yes.

Mr. Allen: 907 Oregon Bank Building, Portland 4, Oregon.

Exam. Wright: Are there any further appearances?

(No response.)

Exam. Wright: If there are no further appearances, do the parties wish to examine this petition for intervention?

Mr. Treanor: So far as the complainant is concerned, Your Honor, we do not. We are delighted to have them in.

Mr. Burkett: We are delighted to be here.

Exam. Wright: Are there any objections to the petition?

(No response.)

Exam. Wright: Hearing none, the petition is granted. [fol. 41] As I mentioned previously, this is a complaint proceeding, and I believe there is no need of any statement regarding the issues. They are pretty well framed by the complaint and answers.

• • • • • • •

Mr. Treanor: I would like to call Mr. Wadsworth.

T. P. WADSWORTH was duly sworn and testified as follows:

Exam. Wright: Off the record.

(Discussion off the record.)

Exam. Wright: On the record.

Mr. Treanor: Your Honor, this witness has prepared his testimony in statement form. I would like to request the permission of the Examiner for Mr. Wadsworth to read this statement as his direct testimony.

Exam. Wright: Does the statement make reference to the Exhibits 1 through 16, which were just marked off the record?

Mr. Treanor: Yes, Mr. Examiner, and they are referred to in order, as we come to them.

[fol. 42] Exam. Wright: And this statement, copies of it, have been provided all the parties?

Mr. Treanor: Yes, sir, it was provided for them this morning in the hearing room.

(Complainants' Exhibits Nos. 1 through 16, inclusive, Witness Wadsworth, were marked for identification.)

Exam. Wright: I wonder—it is quite voluminous. I was thinking possibly of saving time by having it entered into the record the same as if read.

• • • • • • •

[fol. 43] Direct examination.

By Mr. Treanor:

Q. Mr. Wadsworth, I would like to direct your attention to your exhibit which has been marked for identification as No. 9.

You have called my attention to a correction which you desire to make in that exhibit. Would you please state for the record the nature of that correction in Exhibit for identification No. 9?

A. I would like to eliminate the Columns 11, 12, 13, 14 and 15, lines 1, 2 and 3.

Mr. Hobbs: One page?

Mr. Treanor: One page.

The Witness: The first page.

Exam. Wright: Will you state that again? Columns—

The Witness: Columns 11, 12, 13, 14 and 15, lines 1, 2 and 3.

By Mr. Treanor:

Q. For clarification, Mr. Wadsworth, you are talking about the elimination of those columns only to the extent that they refer or apply in connection with the specific lines that you have mentioned?

A. That is right.

Q. You do not desire to take out those columns in their entirety?

Exam. Wright: I think that is clear.

[fol. 44] The Witness: Also, the same columns for line 14, I believe it is 14.

Mr. Farrell: On the same page?

Exam. Wright: The same page?

The Witness: The same page.

Exam. Wright: Exhibit 9 is so modified.

Thank you very much, Mr. Wadsworth. If there are no further questions, you are excused until tomorrow morning, and I direct that the reporter enter into the record, the same as if read, the 31-page statement headed, "Statement of T. P. Wadsworth."

(Witness excused.)

(The document referred to is copied into the record in words and figures, as follows:)

STATEMENT OF T. P. WADSWORTH

My name is T. P. Wadsworth. My business address is 526 Mission Street, San Francisco 5, California. I am employed by the Western Pacific Railroad Company as Assistant Director of Pricing, a position sometimes identified by other railroads as Assistant Freight Traffic Manager.

I have been continuously employed in the field of transportation, primarily dealing with rates and rate practices, since 1926. I have been with the Western Pacific since 1929. I have a Bachelor of Science degree granted by the [fol. 45] University of California at Berkeley. I am a registered practitioner before the Interstate Commerce Commission. My present duties include, among other things, the supervision of the preparation of data for submission to the Interstate Commerce Commission and various State regulatory bodies.

I submit this statement on behalf of the complainants.

The Northern Pacific, whose rails reach no point in California, maintains joint rates with the Southern Pacific via Portland, Oregon, in order to participate in traffic between points in California and points in Oregon, Washington, and Northern Idaho.

The Northern Pacific, having an interchange at Portland also with the Great Northern, has refused to publish rates through this interchange, thence via Bieber, in connection with the Western Pacific, Sacramento Northern and Tidewater Southern, the complainants in these proceedings.

The Union Pacific, whose own rails reach California only in the Los Angeles area, participates in joint rates between points in California on the complainants, and points on its lines, Huntington, Oregon, and east, including all stations, in Oregon, Idaho, Utah, Nevada, Montana and Wyoming. Such joint rates are competitive with those maintained by the Union Pacific with the Southern Pacific via Wells, Nevada, or Ogden, Utah. This segment of the Union Pacific was formerly known as the "Oregon

[fol. 46] Short Line Railroad". The Union Pacific participates via Portland, Oregon, with the Southern Pacific in joint rates between points in California and points on its line west of Huntington, Oregon, located in the States of Oregon, Washington, and Northern Idaho, but has declined to participate with complainants, from or to the same points, via Portland, Oregon, thence via Bieber, California, over the routes presently in effect between complainants and the Great Northern, a connection of the Union Pacific at Portland, Oregon.

This segment of the Union Pacific was formerly known as the "Oregon, Washington, Railroad & Navigation Company."

The Great Northern participates with complainants in joint rates via Bieber, California, between points in California and Portland, Oregon, and other points on its lines in Oregon, Washington, and Northern Idaho. Such joint rate policy of the Great Northern and the complainants has been in effect since 1931 when the Bieber route was constructed under authority of the Interstate Commerce Commission's Finance Dockets Nos. 7439, 7440 and 7781 (166 ICC 3 and 170 ICC 399).

Such joint rates were then, and are now, generally the same as those published by the Great Northern with the Southern Pacific via Portland, Oregon, which were then, and still are, the same generally as the joint rates published by the Northern Pacific and Union Pacific via Portland, Oregon, thence Southern Pacific.

[fol. 47] Joint rates are now provided in connection with the Santa Fe as follows:

1. It participates in joint through rates via Bieber to or from points on the Great Northern.

2. It participates in joint through rates in connection with Southern Pacific via Portland to or from points on the Great Northern, Northern Pacific and Union Pacific.

My Exhibit numbered 1 for identification, is a map which shows the Pacific Coast areas involved in this case, as well as the locations of the lines and routes of the complainants and defendants. This map is a situation map designed to show this information in a general way. It was not drawn to scale or intended to be completely accurate in all respects.

Exhibit 2 is another map which shows the points in California served by complainants, as well as the relationship between such points and those situated on the Southern Pacific, with whom the defendants maintain joint rates via Portland, Oregon.

Complainants operate 987 miles of railway lines in the State of California, as shown by Table 1 of Exhibit 3.

The larger cities in the territory served by complainants are listed in Table 2 of Exhibit 3.

Through joint class and commodity rates are in effect with routing via Bieber between points on complainants' [fol. 48] lines shown in Exhibit 2 and points in Oregon, Washington and Northern Idaho on the Great Northern and its short line connections other than Northern Pacific or Union Pacific. These rates are published in tariffs issued by the Pacific Southcoast Freight Bureau named in Table 3, Exhibit 3.

Tariffs in Table 3, Exhibit 3, also contain rates between points on the Northern Pacific or Union Pacific in the Northwest and points in California on Southern Pacific with routing via Portland, as shown by my Exhibit No. 4.

The details of the routes now published via Bieber in the above tariffs are shown by my Exhibit No. 5, containing copies of pages of routing in PSFB Tariff 1-S, used as representative. These routes are summarized in Table 4 in Exhibit 3.

Some of the points on the Great Northern, to or from which present rates with complainants apply, are equipped with facilities for the interchange of freight with the Northern Pacific or Union Pacific. These stations are named in Table 5 in Exhibit 3, and are shown as well, in red, on Exhibits 6 and 7.

Some stations served in common by the Great Northern-Northern Pacific or Great Northern-Union Pacific, have no facilities for the interchange of freight; those in Table 6 in Exhibit 3 are representative.

Table 7 in Exhibit 3 outlines the basis of charges generally applicable now, on traffic moving via Bieber between points in Oregon, Washington and Northern Idaho on the Northern Pacific or Union Pacific and points in California on the complainants.

[fol. 49] Table 7 in Exhibit 3 shows that shipments may move from or to points in California via complainants' existing routes with the Great Northern via Bieber to or from industries on the tracks of the Northern Pacific or Union Pacific at stations named in Table 5, Exhibit 3. They will be assessed the existing through joint rates of complainants and the Great Northern without extra charges for switching by Northern Pacific or Union Pacific in some cases, and with such charges being in addition, in others. The reason for the difference is that the Great Northern does not absorb the Northern Pacific or Union Pacific switching charge in all instances on traffic moving via Bieber. Its tariff No. 2500-E, ICC A-8996 permits absorption of connecting lines' switching charges only on "competitive" traffic. Item 110 of that tariff defines "competitive" traffic as that "which at time of shipment may be handled at equal rates (exclusive of switching charges) from same point of origin to same destination via other carriers, one of which performs the switching service or absorbs the switching charge of the line serving the industry."

Thus, under this tariff, the Great Northern absorbs the switching charges of the Northern Pacific or Union Pacific at stations named in Table 5, Exhibit 3, only when the traffic has moved via Bieber from or to points on complainants' lines shown in Table 8 in Exhibit 3. This traffic is "competitive" since the points in Table 8 in Exhibit 3 are [fol. 50] common with the Southern Pacific, and the rates from or to such points via Bieber are the same as apply now between the same points via other routes, such as:

SP-Portland-GN,
SP-Portland-NP,
SP-Portland-UP.

The stations on complainants' lines, originating or terminating traffic on which the Great Northern absorbs Northern Pacific or Union Pacific switching charges, as above stated, are divisible into two main classes.

The first class covers the points having facilities for interchange with Southern Pacific. They are designated on Exhibit 2 by a "'" reference mark, and are summarized in Table 8 of Exhibit 3.

The second class covers those which while served in common with the Southern Pacific, have no interchange facilities with that line. Those stations are underlined in Exhibit 2, and are summarized in Table 9 of Exhibit 3.

Shipments from or to points served only by complainants such as those named in Table 10 of Exhibit 3, are subject to extra charges for switching by the Northern Pacific or Union Pacific at stations in Table 5, Exhibit 3, when routed to or from the stations in Table 5 of said Exhibit 3 via the Great Northern via Bieber. This is due to the fact that the traffic is not "competitive" as present combinations be- [fol. 51] tween points in Tables 5 and 10 via Bieber-GN-Portland-NP or UP are higher than rates now published via Bieber-GN.

The amount of the unabsorbed switching charge depends upon the station where the switching is performed or upon the switching zone where the industry is located. Representative charges of this kind are furnished in Table 11 of Exhibit 3.

Traffic moving to or from points on the Northern Pacific or Union Pacific which are not also served by the Great Northern, such as those listed in Table 12 of Exhibit 3, is subject to charges described below:

Present charges are combinations of unabsorbed switching charges and through rates, as to shipments from or to points which complainants serve in common with Southern

Pacific, where interchanges exist as described by Table 8 of Exhibit 3. The switching charges cover the movement of the freight between the industry track on complainants and the interchange with the Southern Pacific. The rate covers the movement beyond the station via Southern Pacific through Portland to or from the exclusive point on the Northern Pacific or Union Pacific. This switching charge is $6.89 per car and is published in tariffs named in Table 13 of Exhibit 3.

This switching charge is assessed, in addition to applicable freight rate, because it is not absorbed by the Southern Pacific. This charge is not absorbed because Southern Pacific absorbs connecting lines' switching charges only on [fol. 52] "competitive" traffic, and this traffic is not "competitive" as defined by Item 10 of SP Tariff No. 230-K, ICC No. 4960.

Denial by the Northern Pacific and Union Pacific of through joint rates via Bieber deprives complainants of an opportunity to participate in line haul service on this traffic.

A good example is the movement of canned goods from Sacramento, California, to points on the Northern Pacific or Union Pacific in Oregon, Washington, and Northern Idaho. In 1959 the Campbell Soup Company, whose plant at Sacramento is located on the Western Pacific, shipped over 150 carloads to exclusive points on the Northern Pacific and Union Pacific. This traffic moved from Sacramento via Southern Pacific since the combination rates applicable via Bieber exceeded the through rates via Southern Pacific-Northern Pacific or Southern Pacific-Union Pacific through Portland.

In November, 1960, the Campbell Soup Company applied to the interested lines for through competitive rates from Sacramento via Bieber to destinations on the Northern Pacific and Union Pacific as well as to points on their short line connecting carriers. The applicant stated at that time that the use of existing routes via Southern Pacific through Portland imposed additional transportation charges over

and above those that would apply if rates were established via Bieber. Such "additional transportation charges" referred to the charges of the Western Pacific for switching [fol. 53] from the plant to the interchange with the Southern Pacific. At that time, those switching charges were not absorbed by Southern Pacific.

However, on March 6, 1961, Southern Pacific published an extraordinary exception to its general practice of absorbing switching charges only on competitive traffic. Effective on that date, it published a provision in Item 995 of its Tariff 230-K, ICC 4960, authorizing absorption of the charge made by the Western Pacific for switching freight from industry tracks at Sacramento to its interchange track with Southern Pacific. This absorption was published on "Canned or Preserved Foodstuffs (not cold pack nor frozen) and other articles moving to stations on the Northern or Union Pacific in Oregon, Washington or Idaho, under rates published in Items 4837, 4837.8 or 4838 of PSFB Tariff 1-S, ICC 1352." A copy of this absorption is reproduced as Exhibit 8.

Combinations of line haul rates now apply on shipments between exclusive points on complainants in Table 10 of Exhibit 3, and exclusive points on Northern Pacific or Union Pacific in Table 6 of Exhibit 3.

Exhibit 9 shows examples of the present combinations over Portland, Oregon, using the following rates as factors:

Between Portland and points on complainants, the rates used are the present through joint rates published via Bieber by complainants and the Great Northern.

[fol. 54] Between Portland, Oregon, and points on the Northern Pacific or Union Pacific, the rates used are the present rates published by the Northern Pacific or Union Pacific.

Exhibit 9 shows that the combinations over Portland applicable via complainants to Bieber-GN-Portland thence Northern Pacific or Union Pacific exceed the present through joint rates published by the Northern Pacific or Union Pacific to Portland thence via Southern Pacific, to

or from points in California on the Southern Pacific or the Santa Fe Railway.

The lowest combination rates now applicable via any all-rail route, between points on complainants and points on the Northern Pacific or Union Pacific, are the lower of the combinations described below:

1. Combination over the lowest rated interchange point with the Southern Pacific in California, or

2. Combination over the lowest rated interchange point between the Great Northern and Northern Pacific or Union Pacific in Oregon, Washington or Northern Idaho.

Combination rate, now the lowest rate applicable on canned goods from McHenry, California, to Yakima, Washington, via any all-rail route, is an example of the situation where the lowest rate from a point on a complainant's line to a point on the Northern Pacific or Union Pacific is a combination over a point in California which is an interchange with the Southern Pacific. This rate is [fol. 55] a combination over Stockton, using the rate from McHenry to Stockton as one factor, and the rate from Stockton to Yakima, as the other. This combination rate applies only via the route of the Tidewater Southern to Stockton, thence via Southern Pacific to Portland, thence Northern Pacific or Union Pacific. This combination rate prevents Western Pacific from participating in the movement of canned goods to Yakima which originates at a local point on the Tidewater Southern, a subsidiary railwayline owned by the Western Pacific. The reason is that both the Northern Pacific and Union Pacific have refused to publish the same rates on canned goods from Stockton to Yakima via WP-GN-Portland, as apply now via SP-Portland. Moreover, they have also declined to publish through joint rates on this commodity from McHenry to Yakima via TS-WP-GN-Portland thence Northern Pacific or Union Pacific. The station, McHenry, is located on the

Tidewater Southern between Stockton and Modesto, and would have rates competitive with other shippers in the same general area, if the Northern Pacific or Union Pacific would establish the same rates to Yakima from Modesto via TS-WP-GN through Portland as they now maintain from Modesto via Southern Pacific through Portland.

Another illustration is the present lowest all-rail rate on canned goods from Yuba City to Walla Walla, Washington. Canners located at Yuba City on the rails of the Sacramento Northern, cannot have their cars switched by [fol. 56] the Sacramento Northern to the Southern Pacific at Yuba City for movement to Walla Walla via SP-Portland-NP or UP under present through joint rates, since Sacramento Northern and Southern Pacific maintain no interchange at Yuba City. The lowest rates now applicable are combinations over Marysville, using as factors, the local rate of the Sacramento Northern from Yuba City to Marysville, plus the joint rate of the Southern Pacific-Northern Pacific or Southern Pacific-Union Pacific from Marysville to Walla Walla. Here, too, the lowest applicable rate deprives the Western Pacific of an opportunity to participate in traffic originated by the Sacramento Northern, its wholly owned subsidiary. This is due to the refusals of the Northern Pacific and Union Pacific to publish rates to Walla Walla, either from Yuba City via SN-WP-GN-Portland or from Marysville via WP-GN-Portland, the same as apply now between the same points via SP-Portland thence Northern Pacific or Union Pacific.

Present rates on other traffic, between points on the Northern Pacific or Union Pacific and points on complainants, are combinations over junction points in the Northwest between the Northern Pacific and Great Northern, or the Union Pacific and Great Northern. Forest products are an example, where the lowest rates from Olympia, Shelton and other points in Washington on the Northern Pacific to San Francisco Bay points are combinations over [fol. 57] Portland, Oregon, using the following rates as factors:

From point of origin to Portland, the rates of the Northern Pacific in North Pacific Coast Freight Bureau Tariff No. 41-J, ICC No. 994.

From Portland to California, the present rates via Bieber in Pacific Southcoast Freight Bureau Tariff No. 80-I, ICC 1536.

At the present time, the combinations over Portland are lower than the through joint rates on Forest Products published to San Francisco Bay points in PSFB Tariff 80-I, ICC 1536, and the restricted routing to confine the application of the through rates to routes via Portland in connection with Southern Pacific are of no avail. This situation is undoubtedly temporary, as if and when the through rates are adjusted to a level lower than the present combinations, they will again be subject to the general routing provisions of this tariff, confining their application to routes between Southern Pacific and Northern Pacific via Portland.

In other instances, the lowest combination rate on traffic between points on the complainants and points on the Northern Pacific or Union Pacific, is a combination over a northern junction point other than Portland. Present rate on canned goods from Oakland, California, to Bellevue, Washington, is an example. Here, the lowest rate is a combination of line haul and switching rates, the latter being absorbed by the Great Northern under authority of [fol. 58] its tariff No. 2500-E, ICC No. A-8996, Item No. 520. The line haul rate is published from Oakland to Seattle, Washington, via WP-Bieber-GN in PSFB Tariff 1-S, ICC No. 1352, and the switching rate is published from Seattle to Bellevue in Northern Pacific Tariff No. 333-B, ICC No. 9801, Item No. 210 of Supplement 12.

There are no through joint rates via Bieber between points on the Northern Pacific or Union Pacific and points on the Santa Fe. On the other hand, through joint rates are in effect now between those points with routing via Northern Pacific or Union Pacific to Portland, Southern Pacific to a junction point in California, thence via the Santa Fe, as shown by Exhibit No. 4. Those joint rates

are published both to points located exclusively on the Santa Fe as well as to points served in common by the Santa Fe and Southern Pacific. They are the same, to or from common points, as the rates published via NP or UP-Portland-SP. They do not, however, include points on the Santa Fe in the San Francisco Bay Area.

No other rates than combinations are available between the same points via NP or UP-Portland-GN-Bieber-WP-Stockton-AT&SF. Exhibit 9 shows that those combinations exceed the joint through rates now in effect via NP or UP-Portland-SP to a junction in California, thence AT&SF. This denies the public of the advantages of alternate routes and deprives the Western Pacific of an opportunity to participate in the movement of traffic between points in California on the Santa Fe and points on the [fol. 59] Northern Pacific and Union Pacific.

Exhibit 10 shows the extent of the movement of freight via Bieber from or to points on the Santa Fe from 1955 through 1959.

This exhibit shows the following:

1. More than 50 per cent of all the cars handled via Bieber moved from or to points on the Santa Fe. This percentage ranged from a high of 58.5 per cent in 1959 to a low of 54.2 per cent in 1957.

2. The number of cars handled via Bieber from or to points on the Santa Fe ranged from a high of 34,077 in 1955 to a low of 28,655 in 1958.

3. Southbound traffic predominates.

I have determined the following since preparation of Exhibit 9:

(a) 1959 traffic via Bieber between points on the Santa Fe and points in the Northwest on the Great Northern produced revenues for the Western Pacific averaging $126.00 per car, northbound, and $116.00 per car, southbound.

(b) Western Pacific's revenues would average about $101.00 per car, northbound, and $93.00 per car, south-

bound, if the same rates were published between points on the Santa Fe and points on Northern Pacific and Union Pacific via Bieber as apply via Northern Pacific or Union Pacific to Portland, thence via Southern Pacific and the Santa Fe.

Exhibit 11 compares the movement of cars from or to [fol. 60] points on the Santa Fe via Bieber with those handled by the Santa Fe in connection with the Southern Pacific through Portland.

Prior to analyzing this exhibit, its following aspects should be observed:

1. Santa Fe furnished only its total number of cars, northbound and southbound, separately. Its totals included its movements both in connection with Southern Pacific through Portland and via Bieber.

2. As shown in the exhibit the total cars via Santa Fe moved only between the States of California and Oregon-Washington.

3. Information on the exhibit as to the extent of Santa Fe's movements via Bieber came from Western Pacific's Accounting Department records. Their scope geographically was broader than the information furnished by the Santa Fe as they included all shipments via Bieber between points west of transcontinental.

4. Information on the exhibit as to the extent of Santa Fe's traffic in connection with Southern Pacific was determined by subtracting its traffic via Bieber from the total.

It should therefore be evident that the resulting traffic via Santa Fe-Southern Pacific was understated.

Exhibit 11 shows that the Santa Fe handled considerably more cars of freight via Bieber than in connection [fol. 61] with Southern Pacific. The totals of the cars handled, northbound and southbound via each route, are summarized in Table 14 of Exhibit 3.

It is reasonable to assume that the Bieber route handled a predominating proportion of the traffic which moved to or from points on the Great Northern from or to points on the Santa Fe. This assumption is based upon the following facts:

1. Santa Fe-GN-WP work as partners in the solicitation of traffic via Bieber, and as I previously testified, the present rates via Bieber apply only to or from points on the Great Northern. The sales activities of these three lines are coordinated and the lines have close working arrangements. No similar arrangements exist between the Santa Fe and Southern Pacific.

2. Santa Fe and Western Pacific freight trains schedules between California and the Northwest are keyed together to produce the best possible services via Bieber. On the other hand, the Santa Fe has no working schedules with the Southern Pacific on California-North Coast traffic. Southern Pacific does not make connections with the Santa Fe's schedules at Stockton. Its "Star Pacer" train to Portland does not pick up cars at Stockton, and its NCP goes through Stockton too early to connect with Santa Fe's SWG.

3. Santa Fe has rates from or to more points on its line via Bieber than in connection with Southern Pacific. [fol. 62] For example, San Francisco Bay points on the Santa Fe are accorded rates via Bieber, whereas they are not permitted to participate in rates via Southern Pacific through Portland.

If the foregoing assumption is true, the preponderance of the traffic handled via Santa Fe in connection with Southern Pacific originated at or was destined to points on the Northern Pacific or Union Pacific. Consequently, if an alternate route had been available to or from points on Northern Pacific or Union Pacific via Bieber, it may be reasonably assumed that it would have handled a large portion of additional traffic (see Table 15, Exhibit 3).

Extent of Present Movements Via Bieber to or From Points on Northern Pacific or Union Pacific

Complainants' Accounting Department records show that the Bieber route handled 143 carloads in 1959 and 165 in 1960, which were shipped to or from points on the Northern Pacific and Union Pacific in Oregon, Washington, and Northern Idaho. Included therein were 124 carloads of cast iron pipe in 1959 and 154 in 1960. The cast iron pipe moved from Carpenter, California, under joint through rates published via WP-Bieber-GN-Portland, thence Northern Pacific or Union Pacific. The remainder consisted of 19 cars of government and commercial freight in 1959 and 11 cars in 1960, as shown by Table 16 in Exhibit 3.

[fol. 63] Commercial traffic, other than cast iron pipe, consisted of 16 carloads in 1959 and six in 1960. It is described by Table 18 of Exhibit 3.

All of the Government traffic moved from military installations in California to Fort Lewis, Washington. It consisted of three carloads in 1959 and five in 1960 as described by Table 17, Exhibit 3.

The extremely limited amount of traffic handled during the past two years, between points on Northern Pacific or Union Pacific and points on complainants, shows that applicable combination rates were too high to permit the traffic to move via Bieber in competition with other routes through Portland, thence Southern Pacific.

Extent of All Traffic Movements Via Bieber

Exhibit 12 shows the extent of the movement of all freight traffic handled by complainants via Bieber for the five years from 1955 through 1959. It shows the number of cars and tons handled, together with Western Pacific's revenues, for the movements via Bieber for both transcontinental and west of transcontinental traffic. The following information is evident from the exhibit:

1. The Bieber route produced about 20 per cent of Western Pacific's freight revenues. The range was

from 19.9 per cent in 1955, 1958 and 1959, to 18.7 per [fol. 64] cent in 1957.

2. Most of the traffic handled via Bieber moved between points west of transcontinental territory. This segment of the traffic via Bieber contributed 83 per cent of the cars and more than 78 per cent of the Western Pacific's revenues. The percentage of west of transcontinental cars handled via Bieber ranged from 86.3 per cent in 1955 to 80.3 per cent in 1958 and 1959.

Exhibit 13 compares the cars, tons and Western Pacific's freight revenues from traffic moving via Bieber to and from points west of transcontinental territory, with those from:

1. Other traffic moving via the Western Pacific to and from points west of transcontinental territory.

2. Total revenue freight traffic handled by the Western Pacific.

This exhibit shows the following:

1. Traffic moving between all points west of transcontinental territory (including Bieber) produced more than 50 per cent of the cars of freight handled by the Western Pacific during the five years from 1955 through 1959, and more than 37 per cent of Western Pacific's freight revenues.

2. Traffic moving via Bieber between points west of transcontinental territory, produced 46 per cent of the cars and more than 40 per cent of Western Pacific's freight revenues from all traffic handled between points [fol. 65] west of transcontinental territory.

3. While Western Pacific's traffic from and to points west of transcontinental territory declined in this period 15 per cent, the decline via Bieber was only 12.6 per cent.

Exhibit 10 shows the number of cars originated and terminated by complainants, as well as those on which they

performed intermediate service to or from the Santa Fe and other connections.

This exhibit shows the following:

1. The Bieber route produces an important amount of traffic for complainants.

2. Northbound traffic in Column 3 exceeded southbound in Column 5 in 1955, 1956 and 1957, but in 1958 and 1959 southbound traffic exceeded northbound.

I have determined the following information concerning Western Pacific's revenues from these movements in 1959, excluding its revenues from traffic which moved in connection with the Santa Fe, on which I have already commented:

(a) Its revenues from northbound traffic averaged $169.63 per car.

(b) Its revenues from southbound traffic averaged $171.86 per car.

I have estimated that Western Pacific's revenues would average about $144.00 per car, northbound, and $146.00 per car southbound, if rates were published via Bieber between [fol. 66] points on Northern Pacific and Union Pacific and points on the complainants and their connections other than the Santa Fe, competitive with those via Northern Pacific-Southern Pacific or Union Pacific-Southern Pacific.

Northern Pacific and Union Pacific have made the following tariff publications which show that Portland, Oregon, is an interchange point on carload traffic with the Great Northern.

They have complied with Rule 10(h) of I.C.C. Tariff Circular No. 20 which requires distance tables to clearly indicate which stations are junction points where it is possible to interchange carload traffic with another railroad without transfer of lading and must name the connecting carriers at each such junction with which such transfer is possible.

Northern Pacific's Table of Distances 1500-I, I.C.C. No. 9759 names Portland, Oregon, as a junction point with the Great Northern at which it is possible to interchange carload traffic without transfer of lading. It also shows that this interchange is through the intermediate switching service of the Northern Pacific Terminal Company. This provision is a comparatively recent publication having been established effective January 31, 1955 on page 3 of Supplement 20 and was designated as resulting in a reduction.

While the Northern Pacific's Table of Distances indicates that its interchange with the Southern Pacific at Portland, Oregon, is by direct track connections, this provision is in-
[fol. 67] accurate because other publications show that the interchanges between these two railroads at Portland, also involve intermediate switching services of the Northern Pacific Terminal Company. The following publications are representative:

(a) Northern Pacific published on page 408 of The Official Railway Equipment Register for April 1960, ICC-RER No. 335 of The Railway Equipment and Publication Company, Agent, that its interchange with Southern Pacific at Portland, Oregon is via the Northern Pacific Terminal Company.

(b) Southern Pacific Local and Joint Distance Table No. 420-D, ICC 4687, shows on page 24, that Portland (Park St.), Oregon, is a point where carload traffic may be interchanged with the Northern Pacific through the Northern Pacific Terminal Company of Oregon.

Shippers are not concerned with the function of the Northern Pacific Terminal Company in these routes, in view of provisions such as Item 735 of PSFB Tariff 1-S, that the joint rates include all charges for switching at intermediate interchange points on shipments handled through.

The Distance Tables show the following with respect to the Great Northern's interchange at Portland with the Union Pacific.

Page 12 of Union Pacific's Distance Tariff No. 4000-B, ICC 5537 publishes Portland, Oregon, as a station where it is possible to interchange carload traffic between the Union [fol. 68] Pacific and Great Northern without transfer of lading.

Page 12 of Great Northern's Official Table of Distances No. 400-C, ICC A-6710 (effective December 14, 1929), shows Portland, Oregon as a point to interchange carload traffic without transfer of lading, between the Great Northern and other defendants as follows:

(a) Northern Pacific (through Northern Pacific Terminal Company of Oregon.)

(b) Oregon, Washington Railroad and Navigation Company (now the Union Pacific Railroad), through Northern Pacific Terminal Company of Oregon.

Page 3 of Supplement 77 of this publication shows that North Portland, Oregon, is another interchange point between the Great Northern and the Union Pacific. This station is within the switching limits of Portland, Oregon, on the Union Pacific according to Official List of Open and Prepay Stations No. 75, ICC A-40 of Station List Publishing Company, Agent.

The following tariffs, other than distance tables, provide that the Northern Pacific and Union Pacific interchange freight with the Great Northern at Portland, Oregon:

North Pacific Coast Freight Bureau Routing Tariff No. 77-D, ICC 980, publishes the following:

Route Numbers	*Route*
5H5	GN-Portland, Oregon, UP
9D5	NP-Portland, Oregon, GN
[fol. 69]	
13D5	UP-Portland, Oregon, GN
13D17	UP-North Portland, Oregon, GN

This tariff also provides that "routes should be read from left to right or from right to left, according to direction in which the shipment moves." Thus, these routes apply in

either direction, both inbound and outbound through Portland.

NPCFB Routing Tariff No. 77-D contains the routes via which the joint rates apply which are published in rate tariffs of the North Pacific Coast Freight Bureau.

Item 18710 of NPCFB and PSFB Freight Tariff No. 1016, ICC 1590 provides routing via GN-Portland-UP for class rates published in that tariff:

From: GN Ry. stations Nos. 9400 to 10040 (points west of Wenatchee, Washington, to but not including Seattle, including Vancouver, B.C., Bellingham, Everett, and Anacortes.

To: UP Stations Nos. 10505 to 10520 (Kenton, Fir, Ward and Hemlock, Oregon.)

10540 to 10680 (Montavilla, Oregon, to Miller, Oregon, including Hood River and The Dalles).

10855 to 11270 (Biggs, Oregon, to Pilot Rock, Oregon, including Arlington, Condon, Heppner and Umatilla).

11715—Juniper, Oregon.

[fol. 70] 117-8—Wallula Junction, Washington.

Item 12420 of PSFB Tariff 220-D, ICC 1514 of PSFB, Agent, provides routing via NP-Portland-GN, Bieber, California, WP or WP and connections via California Junctions:

Between: Points on Northern Pacific in Washington, Yakima, Washington, and West, including branches.

And: Points in California on the Western Pacific and connections (except AT&SF, NWP, SP and VE).

Such routes govern the joint rates published on livestock between the points above mentioned.

Other tariffs mentioned on the following pages, provide joint rates with routing via WP-GN-Portland-NP or UP, to the extent shown.

Cast Iron Pipe

Joint rates are published from Carpenter, California, on the Western Pacific to points in Oregon, Washington, and Northern Idaho via WP-Bieber-GN-Portland, thence Northern Pacific or Union Pacific. These rates are the same as apply between the same points and Decoto, California, on Southern Pacific with routing via Portland, thence Northern Pacific or Union Pacific. Included in the rates published via Bieber also are rates to various connections of the Northern Pacific or Union Pacific, such as the Camas Prairie RR., Washington, Idaho & Montana Ry. [fol. 71] and the Spokane International Ry.

Exhibit 14 contains copies of the pages of PSFB Tariff 1-S, ICC 1352, in which these rates are published.

Initial publication of rates on cast iron pipe in Exhibit 14 became effective June 21, 1952. It was an adjustment to satisfy a complaint filed by the United States Pipe & Foundry Company in Docket 30964.

The pipe company had constructed a plant at Carpenter, California, a substation of Decoto, which was located upon the Western Pacific. It alleged violations of Section 1 and 3 of the Act, arising from the fact that the combination rates then applicable to points on the Northern Pacific and Union Pacific, exceeded the through rates published to the same points from Ironton, Utah, on the Union Pacific. About four months after this complaint was filed, the Northern Pacific and Union Pacific concurred to the publication of rates which satisfied the pipe company. Their concurrences were subject to the same divisions north of Portland, on traffic via Bieber and the Great Northern to Portland, as they received from rates published with the Southern Pacific routing via Portland.

There has been a regular movement of cast iron pipe under these rates; amounting to 124 carloads in 1959 and 154 in 1960.

[fol. 73] *Automobiles*

Joint rates are published via WP-GN-Portland, thence Northern Pacific or Union Pacific on automobiles from Melrose (Oakland) and Decoto, California, on the Western Pacific which are the same as rates between the same points via SP-Portland-NP or UP.

Copies of pages of PSFB Tariff 1-S, ICC 1352, containing rates for boxcar service are contained in Exhibit No. 15 and Exhibit No. 16 contains a copy of PSFB Tariff 297-D, ICC 1678 in which are published TOFC rates on automobiles.

These rates were initially published effective October 4, 1959, as a result of ICC Docket 33118, Western Pacific RR. v. Camas Prairie RR. Co. et al. This complaint was filed in July 1959, alleging violations of Section 1(4) and 3(4) of Part I of the Act by refusal and failure of defendants (including Northern Pacific and Union Pacific) to publish joint through rates with the Western Pacific from Decoto and Melrose (Oakland) via Bieber to the same extent as was granted to the Southern Pacific by defendants. Shortly after the Commission scheduled a hearing for September 1, 1959, the Northern Pacific and Union Pacific advised the Commission and the Western Pacific that they would join in the rates and divisions to the extent requested in the complaint. Upon complainant's request, the Commission dismissed the complaint on November 10, 1959.

[fol. 74] A limited number of commodity rates have been published to or from points on Northern Pacific and Union Pacific with routing via complainants to or from a junction point in California with the Southern Pacific, thence Southern Pacific through Portland.

Rates on sugar from Clarksburg, California, to Walla Walla and Yakima, Washington, via SN-SP-Portland-NP or UP were published in 1936. Both Northern Pacific and Union Pacific declined to participate via Bieber. Complainants agreed to publish these rates in connection with Southern Pacific since the sugar company needed the rates

in order to reach those markets in competition with other California producers.

Other rates established via SN or WP-SP-Portland-NP or UP prior to 1931 were published in that manner because the industries located on the complainants had no other access to markets located in areas served by the Northern Pacific or Union Pacific. Since that time, the Northern California Extensions of the Great Northern and Western Pacific resulted in the construction of the Bieber route in 1931 under authority of Finance Dockets 7439, 7440 and 7881 (166 ICC 3 and 170 ICC 399). In the meantime, the Bieber route has developed into important segments of both the Great Northern and Western Pacific. The conditions justifying issuance of certificates of public convenience and necessity in the Bieber Gateway Case dictate against establishment of additional rates via complainants [fol. 75] with Southern Pacific through Portland, thence Northern Pacific or Union Pacific.

Another significant change in conditions was the emergence of the Western Pacific from a hectic early period fraught with financial problems. This railroad's stature has matured to the extent that it now actively and positively contributes to the public welfare and justifies the faith of the Interstate Commerce Commission in awarding it the certificates of public convenience and necessity in the Bieber Gateway Case. The Western Pacific has vigorously and successfully carried out a program of industrial development in areas tributary to its rails, as well as areas served by the Sacramento Northern and Tidewater Southern, its subsidiaries. For example, its acquisition of land in California has resulted in the location on its rails of such large industries as the Ford Motor Company's automobile plant at Milpitas, and the Campbell Soup Company's plant at Sacramento.

Exam. Wright: Will you call your next witness, Mr. Treanor?

Mr. Treanor: I call Mr. D. L. Loftus, please.

D. L. LOFTUS was duly sworn and testified as follows:

Exam. Wright: Be seated, please.

Mr. Treanor: Your Honor, this witness has three exhibits. May we go off the record and mark them for identication?

[fol. 76] (Discussion off the record.)

Exam. Wright: On the record.

During the off-the-record discussion, Exhibits 17, 18 and 19 were marked for identification.

These are exhibits to be sponsored by Mr. Loftus.

(Complainants' Exhibits Nos. 17, 18 and 19, Witness Loftus, were marked for identification.)

* * * * * * *

Direct examination.

By Mr. Treanor:

Q. Mr. Loftus, would you proceed to read your statement.

A. My name is Donald L. Loftus, and I have been employed by the Western Pacific Railroad since 1952. My address is 526 Mission Street, San Francisco, California. My present position is Assistant to President in charge of the Research and Planning Section, which position I have held since 1956.

[fol. 77] Prior to this, I was a transportation engineer in the same Section. I am a graduate of Northwestern University, receiving a B.B.A. degree in 1948, and majoring in transportation.

Prior to joining Western Pacific, I spent three years with Pullman-Standard Car Division of Pullman, Inc., as research analyst and field service representative. During the same period, I was a lecturer in the Transportation Department in the Evening Division of Northwestern University.

My responsibilities include the areas of Market Research, Economic Research and Long Range Forecasting and

Planning. Presently, I have a staff of three analysts and one secretary-clerk.

In connection with this proceeding, I have been asked to develop and present certain data relating to the growth of the geographical areas involved; and data illustrating the progress made by Western Pacific in improving and modernizing its transportation plant and equipment during the past ten years. The latter program has been carried out with the prime objective of meeting the current and future transportation needs of the regions we are capable of serving, either directly or through connections.

I have prepared, or caused to be prepared under my direction and supervision, three exhibits for introduction in this case. They are true and correct to the best of my knowledge, information and belief. Briefly, they cover three [fol. 78] principal subjects:

First, Economic Growth: the rapid increase in population, consumption and production, which has characterized the Pacific Coast regional economy in recent history, and the prospects for this growth continuing into the future;

Second, Production: the economic base supporting this growth; and

Third, Western Pacific's Transportation Plant: the upgrading of Western Pacific's plant as a major link in the transportation system of the regional economy.

The statistics largely tell the story and the following commentary will therefore be brief, and designed to enable a better understanding of the exhibits.

Exhibit No. 17—Economic Growth

Unfortunately, such accepted indicators of economic growth as Gross National Product or Industrial Production, which are available on a national basis, are not computed for individual states or regions. As an alternate, this exhibit provides other statistics which describe broad trends in area development. Population is a general measure of state and regional growth. Statistics on value added

by manufacturing and farm income, while not including all sectors of the economy, nevertheless provide a valid indication of production trends. State and regional consumption patterns are accurately reflected by personal income and [fol. 79] retail sales. Taken together, these figures present a balanced picture of the growth trends within a region.

In the last 20 years, population growth on the Pacific Coast has been impressive, taking place at a rate three times that of the nation. California has led the way, its population more than doubling. The Northwest states have also been growing rapidly, at a rate almost twice that of the nation.

The population growth reflects an economic expansion which has been well diffused throughout the region. Both industry and agriculture have shared in the gains. Value added by manufacturing and farm marketing cash receipts have been both increasing at rates significantly higher than for the entire nation. To varying degrees, all three states have contributed to this expansion.

The impact of these trends on the West as a market is clearly shown by the tables on Personal Income and Retail Sales. Much of the absolute gain in dollars shown in the tables must be credited to inflation since 1940 (a 1940 dollar equals 2.10 1959 dollars) and, for this reason, the rates of increase are compared with those for the nation. In these non-inflationary terms, the growth is still impressive.

While not shown in the tables as such, the Pacific Coast states have enlarged their share of total U. S. population from seven per cent in 1940 to 11 per cent in 1960; their [fol. 80] contribution to national value added by manufacturing from six per cent in 1940 to 11 per cent in 1958; and total retail sales from ten per cent in 1939 to 13 per cent in 1958. These gains were made in a time when the nation as a whole was experiencing wide growth.

Generally accepted projections of the Pacific Coast economy foresee these growth trends continuing into the future. Two of the tables in this exhibit, those for population and personal income, include projections through 1970. In both cases the growth record established in recent history

is expected to continue. Population additions are anticipated to continue at a rate well in excess of the national average. Personal income, probably the best indicator of consumption, is also predicted to maintain its upward trend line. Note that personal income statistics 1940-1958 include a sizeable element of inflationary growth while that for 1970 is in constant 1959 dollars. As optimistic as these projections appear, in the past they have almost always erred on the conservative side. Generally accepted projections of the other measures of economic growth used in this exhibit are not available but, in my opinion, it is a reasonable assumption the same general relationships which have held in the past will continue into the future and the growth rate suggested by these projections will be general throughout the regional economy.

[fol. 81] *Exhibit No. 18—Production*

The production of California, because of its diversity, does not lend itself to description by showing the physical output figures of a limited number of industries. It is probably sufficient to cite the production statistics in the previous exhibit. In addition, those shown in this exhibit indicate that production generally from California has been increasing its share of national totals during a period when the national total itself underwent rapid expansion.

For the Northwest, because of the less diversified nature of the economy, it is possible to show general growth patterns by measuring production of a relatively small number of basic commodities. The Northwest is a major supplier to national markets for forest products, paper products, nonferrous metals, and certain agricultural commodities. These product groups account for almost all of the rail movements originating in the two-state region.

Production statistics for major components of these product groups are shown, including the 1959 relationship between Northwest production and that for the entire nation. While the Northwest share of the national market for the specific products listed ranged between nine percent

and 30 per cent in 1959, the Northwest had only 2.6 per cent of the total U. S. population in that year, emphasizing the importance of out-of-state markets.

[fol. 82] The total forest products industry output in-incluudes many products, but lumber is the basic commodity. Although production from Washington has been declining in recent years, Oregon output has more than replaced this loss and the two states accounted for almost a third of total U. S. production in 1959. Closely allied to forest products, wood pulp is the basic raw material of the paper industry. The increasing importance of the Northwest in the paper industry is clearly shown by the 152 per cent increase in wood pulp production since 1940.

The statistics on wheat and apples are included as indicative of the participation of this region in national agricultural output. Production of wheat has shown a consistent upward trend. Apple production has been trendless for many years, but Washington still remains the largest producing state for this crop. Agricultural commodities in general have shown an upward production trend.

The Northwest has long been an important factor in the national supply of non-ferrous metals. Aluminum production in 1940 was negligible; in 1959, the region supplied about one-fourth of all national needs. Copper, lead and other non-ferrous metal production in the Northwest is also important.

Exhibit No. 19—Western Pacific Transportation Plant

With the general economic growth in its service area, the Western Pacific transportation plant has been systemati-

[fol. 83] cally improved. The tables in this exhibit are divided into two general areas, road and equipment, and measure changes in specific items as indications of general improvement.

The extent of improvements to road is indicated by the consistent trend to higher grade materials and facilities. A program of rail re-laying has increased the number of track miles in heavy weight rail to almost three-fourths of the

entire system. Tie replacements have resulted in almost the entire system now being in treated ties. The portion of mileage with higher grades of ballast has been consistently increased. Bridge structures have been systematically upgraded. Not shown in the exhibit is the fact that 75 per cent of tunnels formerly timber-lined are now concrete-lined.

The capacity of equipment, both motive power available and freight cars, has been significantly expanded from both a quality and quantity standpoint. The statistics on motive power speak for themselves. Statistics shown extend back to 1954 and represent diesel-electric power only. The number of freight cars in Western Pacific's fleet has not only increased by 22 per cent since 1954, but the portion of the fleet made up of special equipped cars has increased from less than 200 cars to more than 1,800 in 1960. Of the entire fleet, almost one-third are special equipped and more than 60 per cent of these are equipped with special interior devices.

While not a recent or continuing project, it is noteworthy [fol. 84] that all mainline trackage has been under CTC or automatic block signals for almost ten years.

To summarize—the statistics, in my opinion, portray a picture of a regional economy which has been expanding, both relative to its past size and as a share of the national economy. This growth has taken place on a wide front in all three states and generally in the various sources of both production and consumption. Generally accepted projections see these trends continuing through 1970. At the same time, the capacity of the Western Pacific transportation plant has been systematically expanded apace with the regional growth.

Mr. Treanor: That concludes the direct examination, Mr. Examiner.

Exam. Wright: Are you going to offer the exhibits at this time?

OFFERS IN EVIDENCE

Mr. Treanor: I was going to offer them after cross, but I will offer them at this time.

Exam. Wright: I am going to defer ruling until after cross-examination.

Cross examination.

By Mr. Hobbs:

Q. Mr. Loftus, referring to your Exhibit 19, did you make any comparison of your Western Pacific transportation plant with any other railroads in the west?

A. No, I did not.

Q. Then so far as you know, the defendants, Union [fol. 85] Pacific, Northern Pacific and Great Northern—no, not the Great Northern—the Southern Pacific, Union Pacific and Northern Pacific's plant likewise then has been systematically expanded apace with the growth of the region that they serve in the Northwest?

A. I don't know that they have.

Q. You don't know that they don't?

A. I don't know that they don't.

Q. Why did you pick out the year 1950 to compare with the year 1955 and 1960?

A. I picked this because our program began, our improvement program began in 1950.

Q. And what was it before that?

A. (No response.)

Q. You mean it was just let slip?

A. No, we had a change in management in 1948 and '49, and the new management brought in this program in 1950. I am not too conversant with the program prior to this period. It was before my time with the railroad.

Q. Have you made any comparison of the physical characteristics of the Western Pacific with any other railroad in the region or in the Northwest?

A. Not physically.

Q. You don't know how they compare then, physically?

A. (No response.)

[fol. 86] Q. The Union Pacific, for example in Oregon and Washington, the Western Pacific in California, the North-

ern Pacific in Oregon and Washington, do you know how the physical characteristics of those roads compare with the Western Pacific plant?

A. First-hand, I do not.

Q. Well, do you know any other way?

A. (No response.)

Q. You say first-hand you do not?

A. I have heard comment that—

Q. You don't know anything—

A. —that improvements were made, but I don't know exactly what improvements were made.

Q. Well, you don't know how the physical characteristics of the Western Pacific plant compare with any other railroad out West?

A. No.

Q. I am talking about the curves and grades, and all the rest of that.

A. Well, I do know that our expenditures, percentage-wise, have been very high, as a per cent of our gross, one of the highest in the nation during this period.

Q. And that could be accounted for by the level of your growth?

A. It could.

Q. Now, then, on your Exhibit No. 18, why did you go back in making in your comparison or showing your figures [fol. 87] for 1959, why did you go back to 1940 and calculate the per cent of increase? That is 20 years ago.

A. Well, this is a judgment sort of thing. You can pick just about any year you choose.

Usually, to show growth trends, however, you should cover a wide span of years. Usually 20 years is the period selected to show trends. Anything shorter might be misleading.

Q. Well, then, does that mean that the comparisons you are making on Exhibit 19, then, are not valid?

Mr. Treanor: I object—

Mr. Hobbs: You only go back to 1950 there.

Mr. Treanor: I object to that, Your Honor, because the witness has already testified as to the reasons for his starting in 1950 in connection with his Exhibit No. 19, and no proper comparison can be made.

These figures on Exhibit No. 18 are national published figures, and the figures on 19 are directed to the physical experience of the Western Pacific plant.

Mr. Hobbs: You are just answering for the witness, and he could have said the same thing, and probably that could have answered my question.

Exam. Wright: I will overrule the objection.

Do you remember the question?

The Witness: I believe so.

On Exhibit 19, as I said, the Western Pacific improvement [fol. 88] program began in 1950. Actually, the planning was begun prior to that time, but the actual physical work began in 1950, and this is the reason for taking 1950 as a starting point on this exhibit.

By Mr. Hobbs:

Q. Well, wouldn't it seem to you more reasonable on your Exhibit 18 if you had just compared 1950 with 1959 rather than 1940?

A. (No response.)

Q. That indicates the real trend, doesn't it, at the present time?

A. I say this is a judgment sort of thing, and we could probably debate this all day as to what the proper base year would be.

Economists themselves can't agree on this point, and I would have to get into a long discussion on why '40 is not a good year.

I would say usually we use 20 years as a time span to illustrate growth, and this is my reason for so doing.

Q. Well, taking the lumber production for 1940 in Oregon, for example, at—what is it—5,202 million feet? Do you know whether 1940 was a good year when there was a lot of production or a poor one when there wasn't too much production?

A. I think it was a normal year. I don't recall anything—

Q. Well, do you know whether it was or not?

A. Not exactly, no.

[fol. 89] Q. Now, in the case of the Oregon Lumber, if you had compared 1950 with 1959, it would show quite a decrease in the production, wouldn't it?

A. It would show a slight decrease.

Q. And the same thing applies to the amount in both Oregon and Washington, isn't that true?

A. Yes.

Q. If you had taken the year 1950, you would have shown quite a decrease—

A. Yes.

Q. —rather than an increase.

A. Yes.

Q. Does that have anything to do with you selecting the year 1940—

A. No.

Q. —for the comparison?

A. I think I made myself clear as to why I selected 1940.

Q. On page 3 of your statement you say that "the population growth reflects an economic expansion which has been well diffused throughout the region."

Did you make any attempt to segregate that into the various states, for example?

A. The states involved in this proceeding?

Q. Yes.

A. Yes, it is done on the exhibit.

[fol. 90] Q. What exhibit is that?

A. I believe 17 at the very top.

Q. You couldn't, or did you break it down to areas served by the railroad?

A. No, population data are not available on this basis. They are statewide.

Mr. Hobbs: That is all I have.

Exam. Wright: Cross-examination, further cross-examination?

Mr. Farrell: No questions.
Exam. Wright: Redirect?
Mr. Burkett: I have some.

By Mr. Burkett:

Q. Mr. Loftus, what is the mainline mileage on the Western Pacific between Oakland, California, and Salt Lake City, Utah?

A. Between 920 and 24 miles, I believe.

Q. How much of that mileage is east of Keddie, California, and how much is west of Keddie, California?

A. Do you want it exact or just approximately?

Q. No, just approximately.

A. I would say slightly over 600, 650.

Q. Would be east of Keddie, California?

A. Yes.

Mr. Faye: Keddie is Milepost 280.
Mr. Treanor: May we disregard that statement, sir?
Exam. Wright: Yes.

[fol. 91] The Witness: Milepost 280, it is around 625, I believe.

By Mr. Burkett:

Q. And what is the mileage from Keddie to Bieber?

A. 112.

Q. Now, am I correct that traffic from California to Portland generally would move over the mainline of the Western Pacific to Keddie, and thence north to Bieber?

A. That is my understanding.

Q. And could the mileage then from Oakland to Bieber normally be the way I calculate it, about 400 miles?

A. Right, roughly so.

Q. And that is out of a total main mileage of, say, approximately 1,050?

A. I think it is—yes, that is close.

Q. Now, turning to your Exhibit No. 19, please, I notice there that on line 1 you state, "Percentage track miles in rail 112 pounds or heavier, 71 per cent."

Would you please state what portion of that is on the line between Keddie and Bieber?

A. I don't know specifically what portion that would be of the total, but the entire Bieber line is 112 pounds, if I am not mistaken.

Q. And let's pass down to the next 115 pounds, or heavier. Is there any 115-pound rail on the Bieber line?

A. I don't know that, the answer on that. There may be [fol. 92] some on curves, but that I am not qualified to comment on.

Q. Now, with respect to all of the items which you have shown here on your Exhibit 19, can you provide a breakdown of the statistics as they apply to the line between Oakland, Keddie and Bieber on the one hand, and the line between Keddie and Salt Lake City on the other hand?

A. This could be provided.

Q. Can you tell us now what those figures are?

A. No, I cannot. I believe one of our engineers would be more qualified.

Q. Now, referring specifically to the freight car fleet where you list total cars, is Western Pacific today a creditor or a debtor road with respect to the freight car ownership?

A. With respect to the freight cars themselves, we vary from year to year. It is very close to a break-even, I would say. We are a creditor some years, and some years a slight debtor, but I would say the balance is a creditor.

Q. Can you tell us whether you were a creditor or a debtor for the year 1960?

A. I wouldn't want to answer that. I think I would be guessing.

Mr. Burkett: That is all I have. Thank you.

Exam. Wright: Any redirect?

Mr. Treanor: No, sir.

OFFERS IN EVIDENCE

I would like to offer the Exhibits 17 through 19, inclusive. [fol. 93] Exam. Wright: Any objections to Exhibits 17, 18 and 19 for identification?

Mr. Hobbs: No, we have none.

Exam. Wright: Hearing none, they are received.

(Complainants' Exhibits No. 17, 18 and 19, Witness Loftus, were received in evidence.)

* * * * * * * *

Mr. Treanor: At this time, Your Honor, I would like to call Mr. Grant Allen.

GRANT S. ALLEN was duly sworn and testified as follows:

* * * * * * * *

While off the record, Exhibits Nos. 22 through 24 were marked for identification.

(Complainants' Exhibits Nos. 24 through 24, inclusive, Witness Allen, were marked for identification.)

Exam. Wright: Proceed with your direct examination, Mr. Treanor.

[fol. 94] Direct examination.

By Mr. Treanor:

Q. Will you state your full name, please, sir.

A. Grant S. Allen.

Q. And what is your address?

A. 526 Mission, San Francisco.

Q. Mr. Allen, by whom are you employed, and in what capacity?

A. The Western Pacific Railroad as superintendent of transportation.

Q. Briefly, what has been your railroad experience?

A. My experience covers the last 48 years as a telegrapher, and train dispatcher and brakeman, trainmaster, assistant superintendent, superintendent, superintendent of transportation, and I had charge of the railroad operations for the six companies during the construction of the Boulder or Hoover Dam.

During this period, I worked for the Santa Fe, the D&RGW, the Oregon-Washington Railroad, and Navigation Company, the Oregon Short Line, the Union Pacific, the LNSL, the Northern Pacific, and the Southern Pacific.

And I was employed for about two years on the Portland Division of the Southern Pacific as an operator and a train dispatcher, and during my experience on the Portland Division I worked as a telegraph operator at their Brooklyn Yard in Portland.

Q. How long have you held your present position, sir?

[fol. 95] Q. How long have you held your present position, sir?

A. Since 1952.

Q. Have you—excuse me.

What is the general area of responsibility for the superintendent of transportation of the Western Pacific Railroad?

A. I have charge of the, general charge of the operation of the freight and passenger trains on the railroad. The manifest department is under my jurisdiction, the compiling and making of through schedules, and employees' time tables, the claim prevention work, and the general distribution of cars is all under my jurisdiction.

Q. Mr. Allen, at what points are there presently in effect interchange arrangements between the Western Pacific, Tidewater Southern, and Sacramento Northern, with other railroad carriers?

A. I think that Exhibit No. 20 will show that more readily than I can tell it. It is a map of the Western Pacific Railroad, and it shows the interchange points between the Western Pacific and the Sacramento Northern, the Tidewater Southern, and other railroads.

Q. Mr. Allen, have you personally familiarized yourself with the interchange between various carriers, carriers—railroad carriers at Portland, Oregon?

A. Yes, sir.

Q. How recently have you personally observed the inter-

[fol. 96] change arrangements in and around Portland, Oregon?

A. I was up there in the early part of May, and I was in Portland again last week.

Q. Is that May of 1960?

A. This year.

Q. May of this year?

A. Early in April, I should have said, excuse me, early in April 1961, and I was up there last week.

Q. Now, based upon your own personal observation, would you please briefly describe the manner of interchange or the actual physical operation of an interchange between the Great Northern and Union Pacific at Portland, Oregon?

A. If you will refer to this map, this large map, to interchange a car from the Union Pacific at their Albina Yard to the Great Northern, the Union Pacific yard engines move these cars from Albina across the Willamette River on a steel bridge and bring them to the interchange yard opposite the Union Station.

At that point the Northern Pacific terminal handles the cars for delivery to the Great Northern at Guilds Lake Yard.

Q. Mr. Allen, will you also, based upon your own personal observation, briefly describe the manner of interchange or the actual physical operation of an interchange between the Great Northern and Northern Pacific at Portland, Oregon?

A. These cars can be interchanged between both rail-[fol. 97] roads at the Lake Yard.

Q. While you were in Portland, did you observe any actual interchange between Union Pacific and Southern Pacific at Portland, Oregon?

A. No, sir.

Q. Are you familiar with the manner of that operation?

A. Yes, sir.

Q. Would you please briefly describe it?

A. The interchange is effected by the Southern Pacific Yard engines. They move cars from the Southern Pacific directly to the Union Pacific yard at Albina, and they will move cars being interchanged by the Union Pacific to the Southern Pacific from Albina back to Brookland.

Q. In your opinion, Mr. Allen, is there any material difference in the manner of interchange between Great Northern and the Union Pacific or the Northern Pacific at Portland, on the one hand, and the interchange between the Southern Pacific with the Union Pacific or Northern Pacific on the other hand?

Mr. Higgins: If the examiner please, I object to that. There has been no sufficient foundation at this point. The witness merely has given a very generalized description of the switching and interchange between the respective roads there.

To lay a foundation, there would certainly have to be more detail as to distances, characteristics of movement, and so on, and I submit at this point the witness has not [fol. 98] been qualified in addition to the fact this foundation has not been laid for that type of an opinion and, therefore, I object to it.

Exam. Wright: I will sustain that objection.

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By Mr. Treanor:

Q. Mr. Allen, I would now like to direct your attention back to your explanation of your own personal knowledge of the manner of interchange at Portland, Oregon, between the Great Northern on one hand, and the Union Pacific on the other, keeping in mind, Mr. Allen, that your previous answers have not been considered to be complete enough, so please take your time and give it to us in as much detail as you can.

A. In order for the Union Pacific to deliver or interchange traffic to the Great Northern, the Union Pacific yard engines leave Albina Yard.

Q. Now, is that shown on—

A. Which is shown on the map, on the east bank of the Willamette River.

Exam. Wright: This is Exhibit No. 21 for identification.

Mr. Treanor: Yes, sir.

The Witness: Yes, sir, and they move upstream to the [fol. 99] place on the map marked as steel bridge where the cars are brought across the river and brought into a yard which is directly opposite the Union Station.

From this point, the cars are moved on the Northern Pacific terminal from the depot yard and interchanged on the Northern Pacific at Guilds Lake Yard.

By Mr. Treanor:

Q. Is that shown on Exhibit No. 21?

A. Yes, sir, further down the river opposite that Swan Island Shipyard shown on the map.

For traffic that is interchanged from the Great Northern to the Union Pacific, the reverse is true.

The Northern Pacific terminal yard engines move the traffic from Guilds Lake Yard to the depot yard, where the Union Pacific yard engines will pick up the cars and take them to Albina Yard.

Q. Now, does that complete your explanation?

A. Between the Union Pacific and the Great Northern.

Q. Now, would you please describe the interchange between the Great Northern and the Northern Pacific at Portland?

A. The Great Northern trains set on cars at Guilds Lake Yard, where they are interchanged to the Northern Pacific, and the Northern Pacific trains pick up these cars at Guilds Lake Yard.

The Northern Pacific terminal engine switches these cars and arranges them, takes them out of one train and puts [fol. 100] them into the train of the other company, and the interchange from the Northern Pacific to the Great Northern is accomplished then in the same manner in the same yard.

Q. Would you please briefly describe, or not briefly any more, completely describe the interchange between the Southern Pacific at Portland and the Union Pacific?

A. The actual physical interchange of cars is performed by the Southern Pacific yard engines. They will move cars

from the Southern Pacific's Brookland Yard, which is marked on the map opposite Ross Island, across the river on the southeast part of town.

These yard engines will move traffic from Brookland Yard through to the Albina Yard of the Union Pacific, and accomplish delivery.

For traffic moving between the Union Pacific and the Southern Pacific, the same yard engines will move the traffic from Albina Yard back to the Brookland Yard.

The Union Pacific yard engines are not used in this transfer of service.

I have been given to understand that—

Mr. Burkett: Now, just a minute, Mr. Examiner. I am going to object to this witness testifying to what he has been given to understand on this record, because it is hearsay or possibly anonymous hearsay.

Exam. Wright: I will sustain the objection.

[fol. 101] By Mr. Treanor:

Q. Don't say what you have been given to understand, Mr. Allen, what you know of your own knowledge.

A. The Union Pacific pays the Southern Pacific for this service, for the time of all of the Southern Pacific engines north of East Portland Junction, which is opposite the steel bridge.

Q. Mr. Allen, as superintendent of transportation, are you personally familiar with present operations over the so-called inside gateway, including the general condition of the route and the present schedules over that route?

A. Yes, sir.

Q. Briefly, what is the general condition of that route, by the inside gateway into Portland?

A. The portion of the route from Oakland to Keddie is a first-class piece of railroad that is wholly equipped with centralized traffic control.

The portion of the railroad on the Western Pacific from Keddie to Bieber is equipped with 112 or heavier, 112-

pound or heavier rail rock ballast, but is not equipped with either automatic box signals or centralized traffic control.

The same is generally true of the Great Northern between Bieber and Klamath Falls. They do not have block signals, but they do have heavy rail and rock ballast.

Between Klamath Falls and Chemult, the Great Northern trails operate over a joint track arrangement with the [fol. 102] Southern Pacific which is centralized traffic control.

From Chemult to Bend, there are no automatic box signals, but the route is equipped with heavy rail and ballasts.

At Bend, the traffic moves over the Oregon trunk railroad to Wishram, and that is a first class piece of railroad and is equipped with automatic box signals.

From Wishram to Vancouver, the traffic moves over the main line of the SP&S Railroad, which is also equipped with an automatic box signal and heavy rail and ballasts.

From Vancouver to Seattle, the trains are operated over the joint track of the Northern Pacific Railroad, which is double track, and automatic box signals.

The traffic from the Bieber trains is handled from these trains at Vancouver, Washington to Portland, Oregon by switch cuts of the SP&S Railroad.

For traffic that is moving from Portland to trains moving south on the Bieber route, the same SP&S switch cuts move the cars from Portland, to Vancouver, Washington, where they are placed in southbound Bieber-route trains.

Q. Mr. Allen, did you, are you familiar with the fact of whether or not there is an interchange at Portland between the Southern Pacific on the one hand, and the Great Northern on the other?

A. Yes, sir.

Q. Would you please describe in as much detail as you [fol. 103] can the manner of that interchange?

A. For traffic from the Great Northern to the Southern Pacific, the Northern Pacific terminal moves the cars from Guilds Lake Yard to the depot yard, which is across from the Union Station.

Mr. Burkett: Mr. Examiner, at this point I didn't hear the question, but I would like to register an objection.

I don't see the relevancy in this proceeding to the interchange conditions between the Great Northern and the Southern Pacific at Portland. There is no issue here raised, the way I read the complaint, concerning that interchange.

Mr. Treanor: I had not intended to ask that question until Mr. Burkett intervened.

I think now it is an important part of this case and should be brought out for the benefit of the Commission.

Mr. Burkett: Well, I do not think the Examiner would wish to take the position that our intervention broadens the issues in any way.

We are comparing the operation of through routes between the Northern Pacific and the Union Pacific with interchange at Portland, with the Southern Pacific on the one hand, with routes from the Northern Pacific and Union Pacific that interchange with Great Northern on the other hand.

I don't see any issue here between the interchange conditions between the Great Northern and the Union Pacific at Portland.

[fol. 104] Exam. Wright: I will overrule the objection.

By Mr. Treanor:

Q. You may proceed, Mr. Allen.

A. The Northern Pacific moves the cars from the Great Northern to the depot yard where the interchange is effected with the Southern Pacific.

The Southern Pacific yard engines from the Portland yard to the depot yards take these cars back to Brookland with them.

The reverse is true in the case of traffic moving from the Southern Pacific to the Great Northern. The Southern Pacific yard engines move the traffic from Brookland yard to the depot yard, where interchange is effected with the Great Northern, and the cars are then handled between the depot yard and Guilds Lake Yard, to be made up into Great Northern trains.

Q. Mr. Allen, my attention has been called to the fact that the previous series of questions in which I overlooked having you describe in greater detail the manner of interchange between the Southern Pacific and the Northern Pacific at Portland, Oregon.

Would you please describe that operation?

Mr. Farrell: Mr. Examiner, I am going to object at this point. I don't think that is an issue in this proceeding.

Mr. Treanor: If Mr. Farrell is willing to admit that the manner of interchange is not at issue, I certainly won't press it.

Mr. Farrell: I will withdraw the objection.

[fol. 105] Exam. Wright: You may answer.

By Mr. Treanor:

Q. Proceed, Mr. Allen.

A. The interchange is effected in much the same manner as with the Great Northern. The Northern Pacific yard engines handle the cars from Guilds Lake Yard to depot yard where the Southern Pacific engines take the cars to Brookland, and going north the Southern Pacific engines bring the cars from the Brookland yard to the depot yard where Northern Pacific terminal handles the cars to Guilds Lake Yard to be switched into Northern Pacific trains.

Q. Does that complete your answer to that question?

A. Yes.

Q. Mr. Allen, would you please briefly describe, this time briefly, the interchange at Bieber, California, with particular reference to the actual manner in which this is accomplished and the length of time involved in that interchange?

Mr. Higgins: Pardon me, the question isn't quite clear. The interchange between what lines?

By Mr. Treanor:

Q. Between the Great Northern and the Western Pacific at Bieber.

Mr. Higgins: All right.

A. The Western Pacific and Great Northern have in effect a pool arrangement of cabooses and locomotives that work between Stockton and Klamath Falls so that the same locomotive and the same caboose go through on these trains [fol. 106] in either direction, so that many times the interchanges are made between the two railroads only long enough, in about five minutes, which means that the train stops long enough for the engine crews to change, and as the train pulls by the incoming train crew gets off the caboose, and the outgoing train crew gets on the caboose.

Unless there are cars to be actually picked up or set out at Bieber, this interchange never takes more than 15 minutes.

Q. Mr. Allen, where is the point of interchange from the Santa Fe for traffic moving over the inside gateway?

A. At Stockton, California.

Q. Now, please describe the manner in which this interchange takes place and the length of time involved.

A. Both railroads have their own yard at Stockton. The Santa Fe's yard is Mormon Yard, and our yard is known as Stockton Yard.

Cars for the north arriving at Mormon Yard on the Santa Fe are switched out and placed on a transfer about intermediate to both yards.

From this point our yard engines pull the cars down into our yard and make them up into trains.

The total time between the arrival of the Santa Fe train in their yard at Mormon and the departure of our yard at Stockton is approximately two hours.

Q. Mr. Allen, if there should be an increase in the volume [fol. 107] of tonnage moving over the inside gateway, is the Western Pacific in a position to provide the service necessary to move additional traffic?

A. Yes, sir.

Q. Would you please state for the record the basis for your conclusion as to the readiness of the Western Pacific to meet a demand for increased tonnage?

A. If you will turn to Exhibit 22, I draw up figures of the gross ton miles handled on the Western Pacific Railroad during the four busy war years, and for the last three years.

The statement shows the gross ton miles handled east and west, and total on the Oakland-Stockton subdivision, the Stockton-Oroville division, the Oroville-Portola subdivision, and the Keddie to Bieber subdivision, which are the four subdivisions that are applicable in this case.

You will note that during the heaviest war year, which was 1945 on the western division, we are now handling approximately 75 per cent of the traffic which actually handled during the war.

For the entire railroad, we are handling about 78 per cent of the tonnage handled during the entire war.

During the war years we had no automatic block signals, except on our track, our side of the paired track. We were constructing centralized traffic control in the Feather River Canyon. The rest of the railroad did not have block signals. [fol. 108] We had only about six diesel locomotives.

The rest of the traffic was handled by steam locomotives.

Now, we are all dieselized, and we have centralized traffic control, and a much better railroad.

We have more cars available than we had at that time, and unequivocally, I can say that we are in a position to handle much more traffic than we are now.

Q. Mr. Allen, the Western Pacific, does the Western Pacific have any diesel units or cabooses in a ready reserve status?

A. As of April 1st, we had 27 diesel locomotive units, and 11 cabooses stored.

Q. Mr. Allen, is the present volume of traffic moving over the inside gateway utilizing the full capacity of the Western Pacific at its connection?

A. No, sir, it is not.

Q. In your opinion, is the Western Pacific in a position to provide additional transportation equipment and facili-

ties for traffic moving the inside gateway, should the need arise?

A. Yes, sir, we are equipped to so handle.

Q. Have you caused any study to be made of the present schedules which apply both via the inside gateway and the Southern Pacific Company to Portland?

Mr. Burkett: I will object to the question unless the inside gateway schedules are limited to operations into and out of Portland.

I think that the complaint here brings into issue only [fol. 109] interchange at Portland, so an inside gateway schedule which may exist without operations into Portland has no relevance to the issues in this proceeding and would be misleading.

Mr. Treanor: In the first place, Mr. Examiner, many of these points that are reached by the inside gateway today through our connection with the Great Northern are common points served by the defendants.

We want to show the Commission what we are doing to these points today, and I think it is pertinent to this case.

Exam. Wright: I will overrule the objection.

By Mr. Treanor:

Q. Mr. Allen, have you made such a study?

A. Yes, sir, I have set down the schedules now in effect by the various railroads from Southern and Central California, to the Pacific Northwest, which is Exhibit No. 23.

The northbound schedule on the Southern Pacific, that runs daily and handles all traffic, leaves Los Angeles at 8:00 a.m., you will note, and arrives at Portland at 11:30 a.m. on the third day.

There are connections on the Northern Pacific, Great Northern and Union Pacific that can handle this traffic to Seattle.

The same thing is true of the daily train on the Southern Pacific out of Oakland at 11:15 p.m. This train has connections with all three railroads from Portland to Seattle.

Q. Mr. Allen, are you personally acquainted with gen-
[fol. 110] erally the type of traffic that is handled on Southern Pacific's Star Pacer?

A. From their schedule instructions No. 375, the Star Pacer operates from Los Angeles to Portland with merchandise and the OFC, including traffic set out at Bakersfield, Fresno, Roseville, Klamath Falls, Chemult and Eugene, operates from Los Angeles, Tuesday, Wednesday, Thursday and Friday.

Q. Mr. Allen, are your present schedules in this territory set up to make under today's conditions a convenient connection with the Union Pacific or Northern Pacific?

A. No, sir, it is not.

Q. In the event—excuse me.

Why is that, Mr. Allen?

A. Because there is no traffic moving that way.

Q. Mr. Allen, in the event that traffic should move over that, or over those routes, are you in a position to make the necessary changes in your schedule?

A. Yes, sir.

Q. Make a more efficient and timely interchange with those carriers?

A. Yes, sir, we are.

Mr. Treanor: Your Honor, that concludes the direct examination of this witness.

Exam. Wright: Cross-examination.

[fol. 111] Cross examination.

By Mr. Hobbs:

Q. Mr. Allen, going back to your description of the inside gateway, there is a connection between the Union Pacific and the Great Northern at Bend, isn't there?

A. Yes, sir.

Q. And is there any interchange facilities there, or have you been to Bend?

A. Yes, I have been to Bend. It is a joint yard with the Oregon trunk and the Union Pacific.

Q. So that freight could be interchanged there, as well as anywhere else?

A. Yes, sir.

Q. Now, then, after you, after the Great Northern hauls that train up to Wishram, it then goes into Vancouver, I think you said, over the SP&S?

A. It goes over the Oregon Trunk, and Bend to Wishram, and then the SP&S from Wishram to Portland.

Q. Yes, that is what I should have said.

A. Yes.

Q. Now, on arrival to Vancouver, the train is then taken to the Great Northern yard, or some yard in Vancouver, isn't it?

A. That is the SP&S yard.

Q. The train is taken into that yard?

A. That is correct.

Q. And there the cars that are in the train for Portland [fol. 112] are taken out of the train?

A. Yes, sir.

Q. And where is the next move with those cars?

A. Let me explain. The train—we are talking now about a northbound train going to Seattle.

Q. Well, no, I am talking about a train going to Portland.

A. All right, okay.

The Portland cars are handled in trains going to Seattle, and I would like to describe the manner in which the cars are taken out of the train at Vancouver for Portland.

This northbound train is switched at Klamath Falls, so that all of the Portland cars are on the train just ahead of the caboose, and as this SP&S train is pulling into Vancouver yard, which turns the train north towards Seattle, the train is stopped and a cut is made ahead of these Portland cars, and uncoupled from the rear of the train, and the head-in of the train pulls into the Vancouver yard.

The SP&S switch engine comes, couples the cars on the rear of the train and goes around the other leg to Portland.

Q. That is in the Vancouver yard?

A. Yes, sir.

Q. All right, then, from there as I understood, you, then, they are transferred by an SP&S switch engine to the Guilds Lake Yard at Portland?

A. Wherever they happen to be going at Portland, yes, sir.

[fol. 113] Q. Wouldn't they go into the Guilds Lake Yard?

A. Could be, yes.

Q. How else would you get any interchange with the Southern Pacific, Union Pacific, or anybody else, if they didn't?

A. For those cars, that is where they would go.

Q. Then they go through the yard at Guilds Lake?

A. That is right, Northern Pacific terminal switches them there.

Q. Yes. And from there they are taken by the Northern Pacific terminal switch engines to the depot yard?

A. Yes, sir.

Q. From there—

A. If there were any cars interchanged, that is the way. It wasn't handled right there. There is none, you understand.

Q. This would be the method of operation?

A. Yes.

Q. Of any cars going with the Union Pacific?

A. Yes.

Q. That is what I am interested in.

A. Yes.

Q. Now, from the depot yard, then, the cars would be taken by Union Pacific switch engines?

A. That is right.

Q. Across to the east side of the River, and up to—

A. Albina.

[fol. 114] Q. Albina yard, for in-training?

A. That is right.

Q. In other words, then the cars—well, let me say this first. You also described the operation involved in inter-

changing cars to and from the Southern Pacific. They come into the Southern Pacific Brookland Yard, and they are taken by the Southern Pacific over to Albina Yard directly?

A. Yes.

Q. So then, in other words, any cars that were to be interchanged to the Union Pacific at Portland off the inside gateway would go through three yards, as compared with no yards on the interchange from the Southern Pacific to the Union Pacific. That is true, isn't it?

A. That is correct.

Q. Now, then, suppose you got some cars over the Union Pacific at Albina, and they were consigned, if anybody would be foolish enough to do it, to Spokane on the Union Pacific. Those cars then would be put in a Union Pacific train and taken to Spokane, which would result in hauling them up the south side of the Columbia River, for a couple of hundred miles, the very distance that they traveled from—

A. Wishram—

Q. —Wishram to Portland?

A. That is right.

Q. So on any cars that were consigned to a point on the [fol. 115] Union Pacific east of Portland, there would always be a backhaul of some 200 miles. That is true, isn't it?

A. If they went through that route, yes, sir.

Q. Well, how else would they go with the Union Pacific?

A. They couldn't go any other way.

Q. So all I am talking about is the Union Pacific—

A. Yes.

Q. —and so far as the Union Pacific is concerned we would always have, there would always be involved an additional haul of some 200 miles to get them back up to where they crossed the river in the first place.

A. That is right.

Q. Did I understand you correctly to say that at the present time you have no, insofar as train operation is concerned, you have no real connection with any Union Pacific eastbound train?

A. We do not have any agreed schedules with the Union Pacific, that is correct.

Q. Now, then, taking the other side of the coin, if there was any cars consigned to Seattle, turned over to the Union Pacific at Portland, you would have to go through all these yards which you and I just described to get them to Portland, to take them back out again to a point that they could reach via the Great Northern at the present time without any of that?

[fol. 116] A. Let me get your question straight, that they—

Q. Well, the Great Northern at the present time, I presume, are parties to joint rates with the Western Pacific to Seattle?

A. Right.

Q. So if the cars were routed via the Union Pacific, Portland to Seattle, you would have to go through these three or four yards to get them to us; then we take them back out again to get to the same place that they could have gone without going through any yards.

A. That is correct.

Q. Now, on your Exhibits 23 and 24, there are other Southern Pacific-Union Pacific connecting trains, there are others than you have listed on these two Exhibits 23 and 24, aren't there?

A. That is right. I took them from the Southern Pacific concensed schedules, and that is the connections that they show.

Q. Yes, but there are others?

A. Yes, sir.

Q. There are other trains that they could make connections with?

A. Yes, sir, that is right.

Mr. Hobbs: I think that is all I have, sir.

Exam. Wright: Any further cross?

By Mr. Farrell:

Q. Mr. Allen, when the SP&S train arrives in Vancouver, you stated that the cutter cars going to Portland would be taken on across into Portland?

[fol. 117] A. Yes, sir.

Q. And if those cars were going to be interchanged with the Northern Pacific, then into what yard would they be moved into?

A. Into Guilds Yard.

Q. And the interchange would be effected at that point?

A. Yes, sir.

Q. And how would that be effected?

A. The Northern Pacific terminal switch engines make them up into a Northern Pacific train.

Q. It would be through the use of the facilities of the Northern Pacific Terminal Company at Portland?

A. That is right.

Q. Now, the other cars in that train going to Seattle on the same SP&S train routed Great Northern, or the Bieber to Seattle, how could that be handled when the train arrived at Vancouver?

A. The Great Northern crews operate between Portland and Seattle. Their trains are made up and terminated in the Hoyt Street Yard, which is directly adjacent to the Union Station. Their crew would originate at the Hoyt Street Yard, and go to the Oceanic Lead at the Guild Lake Yard, and pick up any cars there, and go to Vancouver and pick up this train that came in from the south, and continue on through to Seattle.

Q. Now, the distance from Vancouver to Portland is [fol. 118] about ten miles, isn't it?

A. That is correct.

Q. So the cars that were routed to the Northern Pacific, for example, would be handled ten miles south, and then they would have to be handled ten miles north?

A. That is correct.

Q. If they were routed Great Northern, they would not have that circuity, is that correct?

A. That is correct.

Q. Now, if that car were routed to the Northern Pacific out of Portland to Spokane, now, that car would be handled similar to the Union Pacific car. It would be handled, in other words, from Wishram into Vancouver, would it not, first?

A. Yes, sir.

Q. And then it would be interchanged at Portland to the Northern Pacific, and then would move out on the Northern Pacific?

A. Yes, sir.

Q. And in fact it would have to move up through the Auburn yard of the Northern Pacific on into Spokane, would it not?

A. That is correct.

Q. Now, if that car were routed Great Northern, this would move on into Wishram, and from Wishram would move right through direct over the lines of the SP&S to Spokane, would it not?

A. Right.

Q. And you have made no comparison with the amount of [fol. 119] circuity of the mileage involved therein, have you?

A. No, sir.

Q. Would you agree with me that it is very substantial?

A. It is.

Q. Now, in showing the schedules that are set forth on the so-called inside gateway, on your Exhibits 23 and 24, that reflects the present method of handling, does it not?

A. Yes, sir.

Q. Which you have described?

A. Yes, sir.

Q. On the present traffic?

A. Yes, sir.

Q. And does not reflect the schedule which would exist if the traffic were handled back in Portland?

A. That is right.

Q. Now, have you actually observed an interchange in Portland between the Northern Pacific and the Great Northern Railroad, physically observed it yourself, in the train moves that are made?

A. I have been in that yard when they were switching cars, but I couldn't identify whether they were from one railroad or the other.

Q. The answer to my question then is "no"?

A. That is correct.

Mr. Farrell: I have nothing further.

[fol. 120] Exam. Wright: Any further cross?

Mr. Burkett: Yes, sir.

By Mr. Burkett:

Q. Mr. Allen, referring to your Exhibit No. 22, what are the train miles for the year 1960 between Keddie and Bieber?

A. Train miles, I don't know that figure.

Q. Do you have those figures?

A. I could get them. I don't have them with me.

Mr. Burkett: Mr. Examiner, at this time I would like to ask that we be furnished with the train mile figures corresponding to the gross ton miles trailing figure shown on Exhibit No. 22.

We are agreeable to those being furnished at the convenience of the complainant.

Mr. Treanor: Before I agree, I would like to know the purpose of this. What is the significance of it, before we go to a lot of work?

Mr. Burkett: I think that there are decisions which indicate that in a proceeding of this type the Commission is interested in the comparison of the operating characteristics of the allegedly preferred route and the alleged sought route, and car density per train would necessarily be the—would necessarily be and constitute one of those transportation characteristics, and it is for that reason that we make that request.

Mr. Treanor: I am not willing to provide it voluntarily, [fol. 121] Your Honor. I don't want to provide that information for Mr. Burkett to turn over to his cost department.

Mr. Burkett: It is not a question of turning it over to the cost department. It is a question of comparing train density of these two routes, and I have decisions of the Commission which would indicate that of this, information of this type is relevant evidence for the Commission to consider.

Mr. Treanor: We have other matters going that are not connected to this proceeding and, therefore, I am not willing to give it. I think you might use it somewhere else in another entirely unrelated proceeding.

Mr. Burkett: Well, I will submit for the record that I ask for the material in good faith, and we feel that it is relevant to this proceeding, and there is no showing that the information could not be made easily available.

Exam. Wright: Your request appears in the record, but I am not going to require the complainant to produce the information.

By Mr. Burkett:

Q. Now, turning to your Exhibit No. 23, Mr. Allen, am I correct that the inside gateway schedules there shown would necessarily be longer if interchange were made, if the traffic were actually carried into Portland, interchanged at Portland, and then moved out to Seattle?

A. I don't know as I am prepared to answer that question when there is no traffic moving that way now.

[fol. 122] Q. All right. Well, let us look at this train which arrives at Vancouver at 3:00 p.m.

A. Yes, sir.

Q. That train carries traffic moving into Portland where it arrives at 5:30 p.m. At what time does that traffic move out of Vancouver for Seattle today?

A. Today it moves out of there at 5:00 p.m.

Q. It leaves Vancouver at 5:00 p.m. to arrive at Seattle at 10:00 p.m.?

A. Yes, sir, that is on the Great Northern now.

Q. Yes. And what time does that train which leaves Vancouver at 5:00 p.m.—I beg your pardon.

At that time does that train which leaves Vancouver at 5:00 p.m. leave Portland?

A. About 4:00 p.m.

Q. Are these inside gateway schedules the only schedules which are regularly operated through the inside gateway?

A. We have extra trains that we operate up that route maybe about three days a week. We run extra trains besides the ones that are shown.

Q. That is, there are three extra trains a week northbound, and three extra trains a week southbound?

A. No, the schedules southbound are daily on both schedules.

Q. Yes, sir.

A. The GWS and the California, but the northbound [fol. 123] schedule, the Expeditor you will note operates only three days a week and, in addition to that, we operate another train about two more days per week.

Q. On the approximate schedule that you have there shown for the Expeditor?

A. It is a slower train. It is a local one. We don't consider it a part of a through schedule.

Q. Now, when you were describing the operating characteristics of the inland gateway, I don't think I fully understood your description of the line from Chemult to Bend. Would you elaborate on that, please?

A. It is a piece of railroad that has no block signals, but does have heavy ballasts and rail.

Q. The trains are operated on train orders?

A. Yes, sir.

Q. I suppose—

A. They are operated on train orders from Keddie to Vancouver with the exception of the centralized traffic control between Klamath Falls and Chemult.

Mr. Burkett: That is all I have. Thank you.

Mr. Farrell: Mr. Examiner, I have a question I overlooked, if you will indulge me.

Exam. Wright: Very well.

By Mr. Farrell:

Q. Mr. Allen, did you state that all the traffic of your road was—strike that.

[fol. 124] Mr. Allen, I believe you testified that your line north of Keddie, between Keddie and Bieber, did not have automatic block signals or CTC.

Is that correct?

A. That is right.

Q. You were in the room and heard the testimony of the witness Loftus?

A. Yes, sir.

Q. And he stated, and I quote from page 7 of his prepared statement:

"While not a recent or continuing project it is noteworthy that all traffic has been under CTC or automatic block signals for almost three years."

Can you explain that conflict in the testimony?

A. He had reference to the main line between Oakland and Salt Lake City.

Q. Do you not consider your line between Oakland and Keddie to be main line?

A. Secondary main line.

Q. His testimony says, "all main line." Do you then consider that line to be branch line?

A. In the reference to the railroad, as between ours—

Q. Within the company?

A. Within the company, we call it the main line between Oakland and Salt Lake City, and we call it the Northern [fol. 125] California extension of the NEC from Keddie to Bieber.

Q. You consider branch line then—

A. Well, it isn't necessarily a branch line, but it isn't a part of our main east and west line.

Mr. Farrell: I have nothing further.

Exam. Wright: Any redirect?

Mr. Treanor: Yes, sir, just one or two questions prompted by several questions on cross.

Redirect examination.

By Mr. Treanor:

Q. This may be clear in the record, Mr. Allen, but on the operation of these trains after the connection is made with the Great Northern, and the movement into Portland, now, does the Great Northern go into Portland? Are those trains Great Northern trains, or are those trains interchanged with the SP&S or the O.T.?

A. No, the cars are Great Northern cars, and they are handled between Vancouver and Portland by the SP&S for the Great Northern on a contract basis.

Q. The contract has been approved by the Interstate Commerce Commission?

A. Yes, sir.

Mr. Treanor: Thank you. That is all, thank you.

Exam. Wright: Any recross?

Mr. Farrell: One more question for the record.

[fol. 126] Recross examination.

By Mr. Farrell:

Q. Could we have the weight of the rail between Keddie and Bieber?

A. A minimum of 112 pounds. There have been some 115 changed out on curves.

Mr. Farrell: Nothing further.

Offers in Evidence

Mr. Treanor: I would like to offer the Exhibits 20, 21, 22, 23 and 24, Mr. Examiner.

Exam. Wright: Any objections?

(No response.)

Exam. Wright: Hearing none, the Exhibits 20 through 24, inclusive, are received in evidence.

(Complainants' Exhibits Nos. 20 through 24, inclusive, Witness Allen, were received in evidence.)

* * * * * * *

[fol. 127] Mr. Treanor: I will call Mr. Stratton.

F. B. Stratton was duly sworn and testified as follows:

Exam. Wright: Please be seated.

Direct examination.

By Mr. Treanor:

Q. Will you please state your full name and your business address?

A. F. B. Stratton, 526 Mission Street, San Francisco.

Q. Mr. Stratton, by whom are you employed, sir, and in what capacity?

A. By the Western Pacific Railroad Company. I am director of industrial development and real estate, and have the same title and responsibility for the subsidiary companies, Sacramento Northern Railway, Tidewater Southern Railway, and am president of the Standard Realty and Development Company.

Q. For the record, what is the Standard Realty and Development Company?

A. It is a wholly-owned subsidiary of the Western Pacific for the purpose of acquiring, developing and selling land to accommodate industries.

Q. Mr. Stratton, briefly what has been your business experience?

A. I have had 39 years of experience with the Western [fol. 128] Pacific Railroad. I have been in the same position since 1946.

Prior to that, most of my experience was gained in the traffic department.

Q. Briefly, what are the areas of responsibility for the industrial department?

A. The function of the department is primarily to obtain new industries, to locate on the railroad from which revenue gains are expected to flow.

In order to accomplish this effectively, new lands are acquired, developed and sold to the prospective new industries. Also, non-operating real properties are managed for profitable return.

I have the same responsibilities for our subsidiary companies, the Sacramento Northern, Tidewater Southern, and Standard Realty.

Mr. Hobbs: Mr. Examiner, Mr. Stratton seems to be reading a prepared statement. I wonder if we may have copies of it.

Mr. Treanor: He is not reading a prepared statement. He is reading from notes, Mr. Hobbs.

Mr. Hobbs: It looks like questions and answers to me.

Mr. Treanor: Well, they are questions and answers.

Mr. Hobbs: Do you have a copy of it we can have?

Mr. Treanor: I have my own.

Exam. Wright: I will let him proceed.

Mr. Hobbs: It is in the record.

[fol. 129] By Mr. Treanor:

Q. Mr. Stratton, do you personally participate in the negotiations for the location of industries on your lands?

A. Yes, I do. All negotiations of any major importance are reviewed by me before they are submitted to higher management for approval.

On the major subjects of considerable importance, I usually handle the negotiations completely by myself.

Q. Now, briefly what is the acreage or the number of locations which you presently have available for locating any shippers on your line in California?

A. We have approximately 4500 acres of potential industrial land, and it is located in about 30 different areas.

Q. Now, does that number or acreage vary in any material sense from year to year?

A. Not materially. The trend has been upward since the program was launched about ten or 11 years ago.

Q. Mr. Stratton, how many new industries have located on the lines of the Western Pacific and its subsidiaries during the last three full years 1958, 1959 and 1960?

A. About 100.

Q. Now, what are the various factors that, to your personal knowledge, are either determinative or important in the sale of an industrial site on your railroad?

A. Well, the proximity of markets or the proximity to [fol. 130] markets, I should say, the supply of raw material, the abundance of good labor, transportation advantages are very important. There are a number of others of less importance.

The order of importance in each one of these, however, will vary according to the specific requirements of the industry.

Q. Now, Mr. Stratton, in the location of an industry on your line, or in your efforts to locate industry on your line, are you in competition with any other carrier or carriers in the state of California?

A. Yes.

Q. Now, can you tell us more specifically the location of such areas of competition?

A. We are competitive with the Santa Fe at Pittsburg, Stockton, Modesto areas, and with the Southern Pacific at the same places and practically all of our other points in California.

Q. To your personal knowledge, has the availability or nonavailability of competitive through rates and routes played any material part in either the selection or rejection of industrial sites on your line?

A. Yes.

Q. Of the various industries which were located on your line during each of the last three calendar years, how many of these plants are also served by Southern Pacific through

switching arrangements, or otherwise?

A. About 85.

[fol. 131] Q. How many of them are served by any railroad other than Southern Pacific?

A. About 70.

Q. Now, if the parties in the hearing room should desire it, do you have available similar information for industries which located on your line prior to the past three years?

A. Yes.

Q. Are you personally familiar generally with the rates and route situation between California and the states of Oregon, Washington and Idaho?

A. Yes.

Q. During your personal efforts to locate industries on your line in California, have you ever failed to locate an industry because of the absence of joint rates and routes to points in Oregon, Washington and Idaho?

A. Yes.

Q. Can you give us specific examples of such situations, based on your own personal knowledge?

A. I have several cases in mind. One in particular was the effort to locate the Marathon Paper Company on the Tidewater Southern Line of Modesto in 1955. The industry expected to obtain much of its material to be processed through this plant from a plant at Lewiston, Idaho, on the Camas Prairie Railway, which only had routing outlets with the Union Pacific and the Northern Pacific.

[fol. 132] Because of the absence of through rates with the Western Pacific and Tidewater Southern, Marathon refused to locate on our line and chose a site on the M&ET at Modesto with open-routing privileges.

Mr. Hobbs: What is M&ET?

The Witness: Modesto & Empire Tracing Building.

Another effort was the effort to locate the Fudenna Company in Irvington in 1955. We had worked with them, and a site had been selected from our land holdings by Mr. Jim Fudenna, head of the company. However, some shipments were to be made, and had been in the past, to the Pacific Fruit and Produce Company in the Northwest,

which had branches on local Union Pacific and Northern Pacific points, and in these instances the lowest applicable rates were not available on shipments from the Western Pacific.

While this embraced a very small percentage of the total shipments, probably less than one per cent, it was important enough to influence the industry to locate on the Southern Pacific from which all routing, open routings were available.

If you wish, I can cite another instance in our efforts to locate the United Grocers at Sacramento in 1955. The receiver included in its list canned goods to move from Toppenish, Washington, a local point on the Northern Pacific.

Additionally, there were other origins which could not move at the lowest rate by the Western Pacific, and as a [fol. 133] result the industry acquired 20 acres of land on the Southern Pacific on Fruit Ridge Road at Sacramento.

A recent case was the National Homes, Inc., which located on the Southern Pacific at Newark, California. Some of its material would originate on the North Coast, from which points the through rates were not applicable.

I can cite some other cases if necessary.

Q. Well, Mr. Stratton, I would like to direct your attention to the location of the U. S. Pipe & Foundry Plant at Carpenter, California. Are you familiar with the details of that negotiation?

A. I personally handled the negotiations.

Q. Now, at the time that that industry located on your line at Carpenter, were the rates open to the Pacific Northwest on the lines of the defendants here?

A. Not via our line.

Q. Can you explain the reason, or can you explain the purchase of that property by U. S. Pipe and Foundry Company, when those rates were not available via our line?

A. Well, negotiations were made and completed rather hurriedly over a week-end when General Armstrong, I believe it was his name, was then president of the company. He was a retired Army officer, came to this area, and I

met with him and his assistants and showed them a very attractive and satisfactory site at Decoto, which Billing Station is named Carpenter on our railroad, and negotia-
[fol. 134] tions were pretty well concluded at that meeting, so that purchase of approximately 70 acres was agreed to.

Subsequently, when their traffic department was informed of this selection, they found out that all through rates to the market that they hoped to serve did not apply with the Western Pacific, and it is my information that the industry filed a complaint before the Interstate Commerce Commission against the northern carriers to have these rates authorized and published.

And I believe they were successful in having this accomplished.

Q. Mr. Stratton, in your opinion, could you have located any more industries on your line in California if the Western Pacific and its subsidiaries were able to participate in joint rates and routes between California and the Pacific Northwest on the same level as the rates now enjoyed by Southern Pacific to those same destinations?

Mr. Hobbs: Mr. Examiner, I object to that question unless counsel is referring to these two or three instances which Mr. Stratton has already developed. If he has any others he wants to talk about, let us hear them.

Mr. Treanor: No, it isn't confined to that.

Mr. Hobbs: Then I object to the question because you asked him if he ever had any other opportunity to locate
[fol. 135] industries. If he did, we want them.

Mr. Treanor: No, I haven't asked him that, Mr. Hobbs. I asked him his opinion on the ability to locate these industries.

Mr. Hobbs: Then let's have the basis for it. He is going to say, yes, that he could have located hundreds of them, but let's have the basis.

Mr. Treanor: His basis is his own personal negotiations.

Mr. Hobbs: The only basis in the record thus far is three, I believe it was, that he could have located. That is all.

Mr. Treanor: Mr. Examiner, those specific instances—

Exam. Wright: Just a minute, I will overrule the objection.

You can cover that on cross-examination, Mr. Hobbs.

A. Well, in my opinion there are many cases when we are not informed as to the reason for the industry failing to choose a site on our line.

We know that our principal competitor early in negotiations brings the rate inadequacy to the attention of the industry, and when there is any possibility of the industry's traffic being so involved, the possibility of locating such firm on our line is extremely difficult.

By Mr. Treanor:

Q. Who do you consider your principal competitor?

A. Southern Pacific.

Mr. Treanor: That is all I have.

Exam. Wright: Cross-examination.

[fol. 136] Cross examination.

By Mr. Hobbs:

Q. Mr. Stratton, on these three or four that you have detailed of industries that apparently were unable to locate themselves on Western Pacific because of the rate situation, did they file any application with the Interstate Commerce Commission to secure rates?

A. Only the U.S. Pipe and Foundry.

Q. The rest of them did not?

A. No, sir, they didn't locate on our line.

Q. That is right, but prior to breaking off negotiations did they find out whether they could get the rates that they desired into Oregon, Washington and Idaho?

A. I will have to answer that by saying my work is highly competitive, and they don't go to that extent.

Q. They didn't inquire about that?

A. They don't do that normally unless they get into a position where they have to.

Q. Do you think the pipe company was caught in that position?

A. I think they were caught.

Mr. Hobbs: That is all I have.

Exam. Wright: Any further cross?

Mr. Farrell: I have just a question or two.

By Mr. Farrell:

Q. Mr. Stratton, is it also possible that the larger facility that another carrier might have available might influence plant location, such things as car supply?

[fol. 137] A. That is right.

Q. And this might influence their location on the Santa Fe, for example?

A. It could.

Q. Or the Southern Pacific?

A. It could.

Q. And in the past three years of locating industry have you been successful, more successful than the company has been in the years prior thereto?

A. I think so.

Mr. Farrell: I have nothing further.

Exam. Wright: Any further cross?

(No response.)

Exam. Wright: Any redirect?

Mr. Treanor: No, sir.

Exam. Wright: Thank you very much, Mr. Stratton, you are excused.

(Witness excused.)

Mr. Treanor: I call Mr. Faye.

CHARLES K. FAYE was duly sworn and testified as follows:

Exam. Wright: Please be seated.

Direct examination.

By Mr. Treanor:

Q. Will you please state your full name and address, sir?
[fol. 138] A. Charles K. Faye, 526 Mission Street, San Francisco 5.

Q. By whom are you employed, and in what capacity?

A. The Western Pacific Railroad Company, assistant vice-president, freight sales.

Q. Now, briefly, what has been your business and professional experience?

A. Following my graduation from Dartmouth College in 1930, I went to work on the waterfront in San Francisco.

Shortly thereafter, when the Bieber Line was opened up in 1931, I got a job as freight salesman; subsequently, as the district agent and sales manager at Fresno, California.

At the beginning of World War II, I went to work in the operating department, and in mid-World War II was assistant to the general manager.

Following World War II, I was appointed manager of the perishable freight service, which was a combination of both operating and traffic jobs.

Later on, as assistant freight traffic manager in the traffic department, thence freight traffic manager to my present position as assistant vice president.

Q. Generally, what are the responsibilities of your present position?

A. I am responsible for the development and freight sales primarily in the western half of the United States, and also the supervision and jurisdiction over the offices on [fol. 139] the western half of the United States.

Q. Now, do you maintain any sales forces in the territory covered by this complaint?

A. Eleven offices with a force of 74 personnel.

Q. Have you generally familiarized yourself with the issues of this complaint?

A. Yes, I believe I have.

Q. Have you caused any studies to be made for the purpose of determining the major industries that are located on the lines of the defendants Union Pacific and Northern Pacific in the states of Washington, Oregon and Northern Idaho?

A. Yes, because over a period of some 30 years, it will be 30 years this fall, we have been trying to get business into that area without success, and we have in our files records of many, many of the major industries located on the rails of those carriers.

Q. Now, in the past have you made any efforts to secure traffic from or to those plants to be routed over the inside gateway through Bieber?

A. Yes, we have.

Q. And what has been the result of those efforts?

A. Well, we have been blocked from it, because the rates or prices are non-competitive.

Q. Have you caused any studies to be made as to the ability of the Western Pacific sales forces to secure traffic [fol. 140] originating or terminated on the Great Northern moving via the inside gateway?

A. Yes, I think we have been quite successful. For almost 30 years now we have been a partner in the inside gateway, and have secured traffic for that period of time. We are familiar with the locations of industries on the Great Northern Railroad in the Northwest, yes.

Q. Now, have you made or caused to be made a survey which would indicate the approximate volume of traffic moving between the Pacific Northwest and California, which you are presently unable to compete for because of the level of rates, and if you have made such a survey would you please describe how it was made and the results thereof.

A. Yes, sir. I made some notes on this, but in view of Mr. Hobbs' objections to—

Q. Well, don't you worry about Mr. Hobbs. Let me worry about him.

A. I was going to refer precisely to those, because I wanted to be precise as possible and read from them but—

Mr. Treanor: Mr. Examiner, may the witness read from the notes that he has made in connection with this particular question?

Exam. Wright: He may, as long as they are available to the other parties for cross-examination.

[fol. 141] Mr. Treanor: And they will be made available.

The Witness: As I recall the question that you asked me concerned studies made in our inability to secure traffic to this area.

We have, we started with our known losses and I designate them as known losses because as traffic originating on or delivered to industries on the Western Pacific or subsidiaries, and destined to or shipped from industries located on Union Pacific or Northern Pacific rails in the Northwest.

This is so-called known losses, because we handled only on a switch movement because of the lack of competitive rates. This is segment 1 of our survey in this case.

In the last few months we have made an on-the-ground survey which was conducted in the Northwest by one of our sales officers, accompanied in each case and in each area by our local freight sales manager or representative.

This survey was augmented by information contained in our files, which I have mentioned earlier. Approximately 109 major Union Pacific or Northern Pacific industries were surveyed or contacted.

This portion of the survey is divided into two segments, and Segment 2, which would include industries located exclusively on the Northern Pacific and the Union Pacific and/or both.

Segment 3 includes industries located on the Union Pacific and/or the Northern Pacific, but at common points [fol. 142] with the Great Northern.

The total survey, including Segments 1, 2 and 3, includes approximately 142 major industries. From this survey we estimated conservatively a potential annual movement of 25,000-plus cars of freight annually—did I say annually—annually, not now open to us, to the Western Pacific, because of the lack of competitive rates, and this is a rock-bottom conservative estimate, because far from all the shippers and receivers in the north and the south have been contacted or surveyed.

By Mr. Treanor:

Q. Does that complete your answer?
A. That completes my answer.

Mr. Treanor: That completes the direct examination of the witness.

Exam. Wright: Cross-examination?

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Mr. Farrell: Mr. Examiner, I am going to move that the figure of 25,000 be stricken from the record herein on the grounds of lack of foundation.

The Witness has referred to a study which he made [fol. 143] through the use of certain employees on the Western Pacific Railroad of industries located on the Union Pacific, Northern Pacific, and also served by the Great Northern.

There is nothing in the record showing the volume of freight originated or terminated on the Western Pacific for any particular period.

The volume terminated at any of those locations for any particular period of time, the modus operandi is not disclosed at all. I think there is a complete lack of foundation and, therefore, I move that the figure of 25,000 be stricken from this record.

Mr. Treanor: Mr. Examiner, Mr. Faye has made this study.

Now, as to the fact that the record doesn't show movement apparently, Frank, you haven't had a chance to read

Mr. Wadsworth's testimony through, because we do show movement to the extent that we participate via the inside gateway through Great Northern points.

We have shown the movement of the pipes through your movement, and we have shown you every movement we have had.

If you are concerned because Mr. Faye has not broken down each one of his segments as to his volumes, we are prepared to give you the breakdown, and we are prepared to give you the underlying documents which showed the breakdown for each point for each industry we are talking about.

Mr. Farrell: But there is no showing, either in Witness [fol. 144] Wadsworth's testimony or in the testimony of this witness so far as to the amount of traffic originating at any location on the Western Pacific.

Now, we are talking about traffic that is moving the other way apparently. I admit that the testimony of Mr. Wadsworth dealing with traffic moving the inside gateway, but this is dealing with traffic that could allegedly move by the inside gateway, and I think there is a complete lack of foundation in this record at this point for his estimate of 25,000.

Exam. Wright: I will overrule the objection. I would—I appreciate the fact that it is an estimate, and the value of it will be based on the other evidence in the record.

By Mr. Hobbs:

Q. Mr. Faye, does your—do your records that you are looking at there, do they divulge the number of shipments secured by the Western Pacific through the payment of this switching charge?

A. (No response.)

Q. I suppose what that means is that in industries located on the Northern Pacific or the Union Pacific, for example, at Spokane, which is served by the Great Northern, but you can't reach it without a switching charge, is that what you meant?

A. No, I am sorry. What I was referring to in that case was industries located on the Western Pacific or subsidiaries where rates are not applicable to points on the Northern Pacific or the Union Pacific local points, where we get [fol. 145] a switch only from—

Q. Oh, that is an origin.

A. Primary origin, yes.

Q. In California, for example?

A. Yes, yes.

Q. All right. Have you made any survey, for example, at Spokane or any other point, large point that is served by the Great Northern as to the, what percentage of the traffic that you get from industries located on the Great Northern as compared with their total traffic?

Have you made any study of that?

A. I have not, sir, no.

Q. You don't know, then, how much or what proportion of the traffic you are getting now open to you, that is, open to you, do you?

A. Well, I don't know about it here, no, and I haven't in connection with this particular case, I have not made a study, directed a study in that regard.

Q. Well, you don't want to create the impression here that you are getting all of the traffic from industries that the Great Northern, Union Pacific and Northern Pacific can serve at points where all three of them enter, do you?

A. No, sir.

Q. You are not securing all of the traffic?

A. No, sir.

[fol. 146] Q. You don't know what percentage of it you are?

A. Did I leave that impression?

Q. Well, I don't know. That is what you left with me, but I say you don't want to leave that impression?

A. Well, so I understand what you are talking about, will you tell me again?

Q. Yes. In the city of Spokane, for example, which is served by the Great Northern direct, and I presume you have rates with them now?

A. Yes.

Q. To Spokane?

A. Yes.

Q. There are industries at Spokane that are served by all three railroads, the Union Pacific, the Great Northern, and the Northern Pacific?

A. (No response.)

Q. Now, on the traffic that is involved in this proceeding, you are not getting that all via the Great Northern at the present time, are you?

A. (No response.)

Q. In other words, they are shipping to Portland and going down SP.

A. That is involved in this proceeding, definitely not.

Q. Yes. And the same thing is true at any other point that I might mention, where all three railroads serve?

[fol. 147] A. If I understand your question, they are not.

Q. Well, I don't know whether you do.

A. They are not.

Q. Now, the GN runs from Portland, for example, to Seattle, and its entry into all of the towns along the way between Portland and Seattle, including Tacoma, for example, it also, the GN also serves Spokane.

Now, aside from those cities, what other cities are you interested in reaching in the state of Washington, for example?

A. Local points on the UP and NP.

Q. Well, what ones particularly, or are there none in particular?

A. Wherever there is business destined for or received from California.

Q. Yes.

You have no particular points in mind; it is just everything?

A. Where business is available.

Q. Yes.

A. Yes.

Q. And the same thing is true in the state of Oregon on the UP?

A. West of Huntington, yes, sir, where this case is involved.

Mr. Hobbs: That is all I have, Mr. Examiner.
Exam. Wright: Any further cross?
Mr. Farrell: Yes.

By Mr. Farrell:

Q. Mr. Faye, in your responsibility as assistant vice [fol. 148] president in charge of sales, do you have responsibility over the rates within the western half of the United States, in which the Western Pacific participates?
A. No, sir, I do not.
Q. Now, when was this survey made?
A. In the last 60 days, that is, the on-the-ground survey.
Q. Now, can you tell us for any recent representative period the number of cars, freight, that originate at or terminate on stations of the Western Pacific in California that moved to the territory involved in the scope of this complaint?
A. Would you repeat that, please?

Exam. Wright: The reporter will read the question.
Mr. Farrell: Mr. Reporter, will you read the question back, please.

(Question read.)

By Mr. Farrell:

Q. Either from or to.

Mr. Treanor: Mr. Examiner, for clarification may I ask if Mr. Farrell is including Great Northern points?
Exam. Wright: Yes.
Mr. Treanor: As well as the UP and NP?

By Mr. Farrell:

Q. It would include all points, as I would understand my question.
A. I cannot answer specifically without going back to our survey and tallying.

Q. Just so we understand each other, you don't have those [fol. 149] figures now available with you on the witness stand, is that correct, Mr. Faye?

A. Yes.

Q. Now, I take it also, then, you do not have with you on the witness stand now the breakdown as between the number of cars that originate or terminate at stations of the Western Pacific in California that moved to destinations or origins within the scope of this complaint in the other three states, as between the Great Northern or as between the other defendants in the case?

A. (No response.)

Q. That breakdown you don't have, or do you?

A. Well, not a breakdown, but the overall, in reference to the total of the 25,000 figure that I made originating on or terminating on WP industries, an annual figure would amount, that is of WP and subsidiaries, moving to points where we do not have rates with the NP or the UP, would approximate 2,250 cars annually.

Originating on or terminating on WP or subsidiary lines, moving to or from NP or UP local points, where we presently do not have rates, not common points.

Q. Now, this then is moving to local points then on the NP or UP?

A. Correct.

Q. Now, this is the total number for what period?

[fol. 150] A. This is an annual estimate.

Q. Now, what do you mean by an estimate?

A. Well, we don't—because most of the segments that we took, 1, 2 and 3, and particularly because of the segments 2 and 3 which I mentioned were done on an estimated basis, only, obviously because we do not have rates with the NP and UP, and it was done on the basis of our historical record plus our discussion and our on-the-ground survey, we took all, as an estimate of the overall.

Those precise figures would be available which we could go back for 1960, and get an actual number.

Q. But you didn't go back to 1960 and get the actual number, did you, Mr. Fay, for purposes of preparing the estimate that you put in the record so far?

A. On an approximate general basis, yes, 2,000 cars.

Q. Now, this figure, now, the figure of 2,000 or 2,500 is, as I understand it, cars which you estimate the Western Pacific handles annually at stations in California that moved to or from stations on the NP and UP in the states of Oregon, Washington and Idaho that are not served by the Great Northern Railroad, is that correct?

A. Where we do not have rates, correct, competitive rates.

Mr. Treanor: Mr. Examiner, so the record may be clear on that, and I think maybe this is the reason Mr. Farrell is having trouble following the witness, he is confining his [fol. 151] answers to those specific instances where we got nothing but the switch-out of traffic that originated on our line.

The Witness: That is specifically what I am referring to here in this question with the 2,000 cars plus.

Mr. Farrell: Yes.

By Mr. Farrell:

Q. Now, as I stated it to you, that is correct, is it not?

A. Where we received a switch only for business originating on or delivered on our rails or subsidiaries destined to or originating on local points on the NP or UP where we do not have rates—

Q. And that is the 2,000 and 2,500 on an annual basis?

A. Correct.

Q. Now, you cannot tell us what the figure is for 1960, if I understand you correctly?

A. I do not have those figures available with me now.

Q. But that is available in the records of your company?

A. Yes, sir.

Q. Well, now, when you started out to make this survey, did you prepare any written instructions at that time, to your field forces?

A. We formed a basis for our surveys. We had a discussion with our people who were going to cover the area, and also with certain—

Mr. Farrell: Mr. Examiner, may my question be read to [fol. 152] the witness?

Exam. Wright: The reporter will read the question.

(Question read.)

A. Yes.

By Mr. Farrell:

Q. Do you have a copy of those instructions with you?

A. No, sir.

Q. What in substance did the instructions request?

A. (No response.)

Q. If you recall.

A. Basically to cover major points and major industries on the UP and the NP in the area under question, both as to local points, that is exclusive NP-UP points, and common points at that time determined, augmenting the information that we have built up over a period of years, the business or the traffic that would be potential to us on an annual basis moving to and from NP-UP points where we do not presently have rates.

Q. Now, did these instructions request representatives of the sales department under your supervision to contact shippers and receivers of freight at all stations served by the NP and the UP in the states of Oregon, Washington and Idaho?

A. No. It instructed our representatives to contact certain major shippers and receivers, but we did not attempt to contact all shippers and receivers at the points mentioned.

Q. And what was the total number contacted?

A. Approximately 109.

[fol. 153] Q. And were some of these shippers located at common points, such as Spokane, Seattle—

A. Would you like to have me split these between exclusive and common points?

Q. Would you?

A. Yes, sir. Exclusive NP-UP and/or NP-UP, 59.

Q. This is what you call Category 2?

A. No, this is—yes, pardon me, Segment 2, Category 2, correct.

Q. Yes.

A. NP-UP at common points, approximately 50.

Q. That is Segment 3?

A. Yes, sir.

Q. What is Segment 1?

A. The portion we were talking about before, that the business on our own railroad or subsidiaries, where we received only a switch, but moving to or from those points on the NP or UP, that is Segment 1. That is the 2,000-plus.

Q. On the annual basis?

A. Yes.

Q. Now, 50 of the 109 industries named are located then at points served by the Great Northern which you have a full line of joint rates at the present time?

A. Yes, sir.

Q. Now, were all 109 of these industries then contacted [fol. 154] by the representatives of your department, and were written reports returned to you?

A. Not entirely; as I stated in the notes that I was reading from earlier, most of the 109 were contacted, but there were many on which the information was augmented by prior information that we have been building up over a period of years on this so-called non-competitive business.

Q. Am I now to understand, Mr. Faye, some of the 109 were not contacted?

A. Correct.

Q. What number were not contacted?

A. I can't give you the exact number, sir. A very small percentage.

Q. Now, of those that were contacted, what was your sales force instructed to request of them?

A. To try to ascertain the business, the traffic, carload traffic that might be potential to the Western Pacific providing rates were available on a competitive basis from and to the points mentioned.

Q. In the discussion with the traffic representative, then, these companies that were contacted, were they requested to consider any factor other than rates?

A. (No response.)

Q. If you know.

A. I think so, yes.

[fol. 155] Q. What other factors were they instructed to consider in their meeting with the traffic representatives of these companies?

A. Car supply.

Q. What else?

A. I think those are the two primary considerations.

Q. They were to give no consideration to time in transit?

A. Yes.

Q. Did you instruct them to consider that?

A. No, we didn't specifically instruct them to consider that, primarily because we have been competing for some almost 30 years on the inside gateway quite successfully on a competitive time basis with our—

Mr. Farrell: I move that answer be stricken, Mr. Examiner, as non-responsive.

Mr. Treanor: Well, I think, Mr. Examiner—

Exam. Wright: I will let it stand.

By Mr. Farrell:

Q. Did you request them to consider claim experience?

A. Pardon? I am sorry.

Q. Did you request them to consider claim experience?

A. I didn't get the last word.

Q. Claim experience.

A. Experience?

Q. Claim experience.

A. No, sir.

[fol. 156] Q. But you appreciate, Mr. Faye, there are many factors that influence a traffic manager in the routing of freight, do you not?

A. Yes, sir.

Q. And rates is one of these things?

A. Yes, sir.

Q. Now, what was the basis, if any, for the inclusion in the survey of the 50 industries that are located at points served by the Great Northern Railway in which you have a full line of joint rates at the present time?

A. Well, the inclusion of the industries at common points was primarily because, in some cases, we were not realizing what we felt was our full potential.

Q. You mean you felt that despite the fact you had a full line of joint rates into that point, you still were not getting all the traffic that you felt you were entitled to?

A. Yes, sir.

Q. And this is a recognition that there are factors other than rates that influence the handling of traffic, is that correct?

A. Car supply is a very important one, as I brought up.

Q. Well, now, of this alleged 25,000 cars, can you tell us how many of those cars you estimate would result from these 50 industries from which you presently have a full line of joint rates as distinguished from the 59 on the other hand?

A. The split between segment 1 and segment 2, or cate-
[fol. 157] gory 1 and 2.

Q. This would be the split, as I would understand it—

A. I beg your pardon, 2 and 3.

Q. Between 2 and 3?

A. Two and 3.

Q. Yes, Mr. Faye.

A. Segment 2 would be twice as much as Segment 1—I beg your pardon—Segment 2 would be twice as much as Segment 3.

Q. Now, do you know of these 50 industries which are located at points served by the Great Northern how many of those industries were actually contacted by your sales people?

A. Not without redoing our survey which I have not got the precise number at the present time, no.

I am sorry.

Q. But if I understand your testimony, Mr. Faye, that if you have all the traffic on which you presently receive only a switch charge, as you put it, that would amount to 2,000 to 2,500 additional cars annually, is that correct?

A. Correct.

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[fol. 158] Mr. Treanor: I call Mr. Hinckle.

A. K. HINCKLE was duly sworn and testified as follows:

Exam. Wright: Have a seat, please.

Mr. Treanor: Mr. Examiner, Witness Hinckle has a prepared statement which is two and a half pages in length. We would like to request permission of the Examiner to read this as his testimony.

Copies have been distributed to the other parties in the hearing room.

Exam. Wright: This will constitute his direct testimony?

Mr. Treanor: Yes, sir.

Exam. Wright: Very well.

Direct examination.

The Witness: My name is A. K. Hinckle. My business [fol. 159] address is Lewiston, Idaho. I am General Traffic Manager for Potlatch Forests, Inc., and Vice President of the Washington, Idaho and Montana Railroad Company, a wholly-owned subsidiary of Potlatch Forests, Inc.

The Washington, Idaho and Montana Railroad Company is a Class II Common Carrier, operating 49.37 miles of main line tracks and 13.77 miles of yard and side tracks in the states of Idaho and Washington, from Lairds, Washington to Purdue, Idaho. Direct connections and interchange of traffic is made with the Great Northern Railway and Northern Pacific Railway at Palouse, Washington, and the Chicago, Milwaukee, St. Paul and Pacific Railroad at Bovill, Idaho.

The Washington, Idaho and Montana Railroad answered the complaint by stating that it is a party to certain tariffs and does participate in through routes and joint rates with the Great Northern Railway and Western Pacific Railroad to the extent it has been requested and is able to handle traffic with the GN-WP. Denial was made of other allegations of discrimination, et cetera, since the W.I.&M. R.R. is not a dominating factor in determining participation of carriers in sought routes and rates.

The Washington, Idaho and Montana Railroad is willing to participate in routes and rates sought by Complainants, subject to the concurrence of other defendant carriers.

The purpose of my testimony today actually is one of a [fol. 160] dual interest. By reason of my responsibilities with both the W.I.&M. R.R. and Potlatch Forests, Inc., I feel it is important and in the public interest to express the views as they apply to Potlatch Forests, Inc., as a shipper and receiver.

Our plant at Lewiston, Idaho, produces lumber and lumber products, pulp and pulpboard. We are served by the Camas Prairie Railroad, which is jointly owned by the Union Pacific Railroad and the Northern Pacific Railway. We do not ship any traffic off the Camas Prairie Railroad to points into California in connection with the Western Pacific Railroad via Bieber because combination rates applicable via that route are higher than the joint through rates now provided by the Union Pacific and Northern Pacific with the Southern Pacific via Portland, Oregon.

With the publication of joint through rates via Bieber, it would satisfy one of our important needs. A specific example involves shipments to Oakland, stopping in transit to partially unload at points on the AT&SF Railway between Stockton and Oakland. Today we cannot serve our customers in this manner without incurring extra costs, since neither the Union Pacific nor Northern Pacific provides rates via Portland, thence the Southern Pacific to Stockton, thence AT&SF or ATSF-WP. If competitive rates were published via Union Pacific or Northern Pacific, thence

Great Northern via Bieber, Western Pacific thence ATSF, the stopovers would be available to us without penalty. [fol. 161] Therefore, we feel there is a public need and necessity for arrangements that will make it economically possible for us to serve our customers competitively.

Mr. Treanor: Mr. Examiner, that completes the direct examination of Witness Hinckle.

Exam. Wright: Cross-examination.

Mr. Hobbs: I have none.

Cross examination.

By Mr. Burkett:

Q. Mr. Hinckle, in your direct statement, you referred to points on the Santa Fe Railway between Stockton and Oakland, at which you desired to stop in transit to partially unload.

What are those points?

A. The one I have in mind is Antioch.

Q. And have you ever requested—strike that, please.

If a joint rate were published by Northern Pacific, Union Pacific, Portland, thence Southern Pacific to Stockton, thence Santa Fe, you would have that privilege, would you not?

A. Yes.

Q. Have you ever requested the Southern Pacific-Santa Fe-Union Pacific or Northern Pacific to establish such a rate?

A. I have asked for it verbally. I haven't written them for it.

Q. When did you ask?

[fol. 162] A. Oh, several times over the last five or six years.

Q. And to whom did you direct your request?

A. Traffic representatives of the Southern Pacific.

Q. What traffic representative?

A. Portland, Oregon.

Q. What gentleman in Portland, Oregon?

A. Mr. Anderson is one gentleman. Mr.—the traffic manager—I don't recall his name right now.

Q. Have you ever made shipments via this route to partially unload at Antioch?

A. Via what route?

Q. Of the Southern Pacific from Stockton to Portland, thence Santa Fe.

A. No, the combination rates are too high.

Q. And have you made single carload shipments to Antioch?

A. In some cases, yes.

Q. I notice on your statement here you state that your problem also would be involved if there was routing available by Southern Pacific from Portland to Stockton, thence AT&SF-WP?

A. That is right, because some of our customers are on the Western Pacific and some are on the Santa Fe, and we quite often have pool cars.

Q. How would the routing exist if it were made Southern Pacific from Portland to Stockton, thence AT&SF-WP?

A. (No response.)

[fol. 163] Q. By that I mean where would the interchange be made between the Santa Fe and the Western Pacific?

A. In my particular case, it would be a switch at Oakland between the Santa Fe and the Western Pacific.

Q. And for delivery by the Western Pacific?

A. Yes.

Q. Well, would the Western Pacific need to be party to the tariff rate for that switch to be available?

A. In this particular case it would not necessarily have to be, but it would suit my purpose if they were.

Q. Well, would there be any?

A. I might route it around the other way, if that were possible.

Q. When you say route it around the other way, would you please—

A. Western Pacific-Western Pacific, and then Santa Fe.

Q. And where would the interchange be made on the Santa Fe?

A. Either at Stockton or at Oakland.

Q. Now, but assuming it comes from Southern Pacific, as you said in your statement, from Portland to Stockton, then it would be delivered, then would you have a routing in mind by which it would go Santa Fe-WP, past Stockton?

A. Now you are talking about the Southern Pacific?

Q. Yes, sir.

A. Well, in that case it would be Southern Pacific-Santa Fe.

[fol. 164] Q. Well, then—

A. To serve my needs.

Q. Yes. I notice, reading your statement again, I notice you say here, "Today we cannot serve our customers in this manner without incurring extra costs."

A. That is right.

Q. Since neither the Union Pacific nor Northern Pacific provides rates via Portland, thence the Southern Pacific to Stockton, thence Santa Fe or ATSF-WP.

A. Yes.

Q. Am I now to understand that we should delete the words "or ATSF-WP" from that statement?

A. I don't see why. I might develop a customer later on where that routing would be possible.

Q. Yes. Now, in that event, where would the interchange be made from the Santa Fe to the Western Pacific?

A. That is up to the railroad. I don't make those rates or routes. I don't know where it would be.

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[fol. 165] Mr. Treanor: I call Mr. Fuller, Mr. Examiner.

F. W. Fuller was duly sworn and testified as follows:

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Direct examination.

By Mr. Treanor:

A. My name is F. W. Fuller. I am Traffic Manager for Fisher Flouring Mills Co., whose plant and principal office are located at 3235—16th Avenue S.W., Seattle, Washington. I have been engaged in the grain and grain processing business over the past 30 years and have served as Traffic Manager of Fisher Flouring Mills Co. since 1941. In my present position, I am responsible for the administra-
[fol. 166] tion of transportation and traffic matters of Fishers.

My company operates 32 country grain elevators which are located on the lines of various defendants. These elevators, together with terminal storage facilities located adjacent to our mill in Seattle, provide a grain storage capacity of 3,850,000 bushels. The mill has a daily production capacity of 15,000 cwts., plus approximately 1,000 tons of offal and formula feeds. The mill and terminal grain elevator are located on and served directly by defendant railroads having track connections into and out of Seattle.

Fishers utilizes all forms of transportation in both interstate and local commerce. We do utilize the services of the railroads to a very great extent, and our primary domestic market is the State of California. For example, during the year 1960, Fishers shipped the equivalent of more than 1700 carloads to California via rail.

Fishers is a very heavy user of transit privileges, as our Seattle mill is located in Western Washington, our main source of raw materials is Eastern Washington, and our primary markets are in California. Due to the present rate situation, we do not have a free choice of routing, and cannot utilize the Bieber route except when our shipments

of flour and cereal products have come from raw materials originated on the Great Northern. When our raw products have originated on one of the other defendant lines, such as the Union or Northern Pacific, we cannot utilize the [fol. 167] Bieber routes because it has not been allowed to participate in the same through rates as apply between those carriers and the Southern Pacific.

The Great Northern does not serve all of the grain producing points of Eastern Washington and Northern Idaho. I believe that there are presently approximately 327 railroad grain originating stations in that area, and of that total, approximately 83 are located on the Great Northern.

We utilize the routing now available via the Bieber gateway to a considerable extent, and I am very satisfied with the service received over that route. If we could also utilize that routing further in connection with raw materials which originate on the Union or Northern Pacific railroads, our transit operations would be considerably improved. Complications now frequently arise because outbound shipments from transit at Seattle may only be covered by inbound transit credits of the Great Northern when we desire to route via the Western Pacific southbound.

Publication of the through rates from points on the Union and Northern Pacific via the "Inside Gateway" would allow us to surrender inbound transit credits of all lines without having to differentiate between origin lines depending upon the routing of our finished products into California. Naturally, this would serve to considerably improve the efficiency of our transit operations.

[fol. 168] We are almost totally dependent upon the railroads for our transportation service, although we do use other modes of transportation for a very small percentage of our business. It is my firm conviction that if we had available two competitive routes between California and points in the Northwest located on lines of the Union and Northern Pacific, we would be the recipient of improved services, and greater efficiencies from the carriers. It must be stated, however, that except for the restrictions on

routings due to the rate disparities which I have described, our present railroad service has been good.

That concludes my statement.

Mr. Treanor: That completes the direct examination.

Exam. Wright: Cross-examination.

Mr. Farrell: I have a question.

Cross examination.

By Mr. Farrell:

Q. Mr. Fuller, have you ever requested a joint line of rates from the Northern Pacific via the Bieber Railway?

A. No, sir.

Q. And you have been aware of this condition as things exist now for how many years?

A. Thirty-one years, about 31.

Q. And during that period of time, have you been a traffic manager, in a traffic manager's position with your [fol. 169] present company?

A. Twenty-five years.

Q. And do you generally request of railroads the things that you need, Mr. Fuller?

A. Yes, sir, we do.

Q. And you initiate many requests during the course of a year, do you, in your business?

A. Not many, but we do request some, yes, sir.

Q. Now, you stated that you shipped annually approximately 1700 carloads to California. Could you tell us how many of those cars moved to destinations on the Western Pacific Railroad for any recent representative period?

A. No, I couldn't give you the breakdown. It is available in my office, but I don't have it here.

Q. But the cars that did move to destinations on the Western Pacific, you used transit billing from Great Northern origins behind those shipments so that you paid a through rate, is that correct?

A. That is right.

Q. And has there ever been a time when you have sought to move a car to a destination on the Western Pacific that you haven't had transit billing from a Great Northern origin point available to put behind it?

A. Yes, sir.

Q. And when was that?

[fol. 170] A. Well, that occurred occasionally. It is usually towards the latter part of the crop season. For instance, right at this moment we are very low on certain Great Northern transit that could serve to restrict our movement outbound.

Q. Could you tell us any shipment that you made last year to a destination on the Western Pacific where you did not have transit billing from a Great Northern origin put behind it in any particular shipment last year?

A. I do not recall any last year, no, sir.

Q. And have there been times when you have had a surplus of Great Northern shipments and of Great Northern transit billing, and you have routed shipments via the Bieber Gateway that were not going to destinations on the Western Pacific over the years?

A. I don't believe I follow that. You mean moving to points beyond the Western Pacific?

Q. Yes.

A. Well, that happens all the time. We move to points along the terminus of the Western Pacific in connection with Santa Fe movements for final delivery, and the answer would be, yes, sure.

We have a surplus going at times that we can move beyond the Western Pacific's connection with the Santa Fe.

Mr. Farrell: I have nothing further.

Exam. Wright: Further cross?

[fol. 171] (No response.)

Exam. Wright: Redirect?

Mr. Treanor: Just one question, sir.

Redirect examination.

By Mr. Treanor:

Q. In connection with Mr. Farrell's question as to whether you have requested this in the past, are you requesting it now?

A. Yes, I am.

Q. Thank you.

A. I would very much like to see this route.

Mr. Treanor: Thank you.

Exam. Wright: Anything further?

Recross examination.

By Mr. Farrell:

Q. I take it then that the Western Pacific contacted you and asked you if you would come down here and testify, Mr. Fuller, is that correct?

A. Yes, sir, I was solicited to make the statement.

Q. And for that reason you have come down here and testified?

A. Yes, sir.

Mr. Farrell: Thank you. I have nothing further.

Exam. Wright: Thank you very much, Mr. Fuller. You are excused.

(Witness excused.)

Mr. Treanor: Mr. Kasen.

[fol. 172] M. A. KASEN was duly sworn and testified as follows:

* * * * * * *

Direct examination.

By Mr. Treanor:

Q. Mr. Kasen, would you please read your statement.

A. My name is M. A. Kasen, Traffic Manager of Centennial Mills, Inc., 1464 N.W. Front Avenue, Portland 8, Oregon. I have occupied this position for the past eight years and have engaged in industrial traffic work for the past 19 years, all of which has been spent with flour mills located in the Pacific Northwest. I am admitted to practice before the Interstate Commerce Commission and have appeared in both formal and informal hearings in the past.

Centennial is a corporation operating under the laws of [fol. 173] the state of Oregon; engaged in the business of buying and selling grain, manufacturing and marketing of grain products for both export and domestic consumption. California is our primary domestic market and 40 per cent of our flour milling capacity is shipped to this State.

Now, I would like to correct the third paragraph. It seems as though we have had a little change in our operation.

Centennial owns and operates flour mills at Spokane, Washington, Portland, Oregon, and has been in the milling business since 1889 in the States of Oregon and Washington. Daily milling capacity of our three mills is 12,000 cwts., which represents 18 per cent of the flour milling capacity in the Pacific Northwest.

The rest is all right as written.

Rates for all of our products shipped to California are found in Pacific Southcoast Freight Tariff 241-E, I.C.C. Number 1577. To understand our reason for supporting the Complainants, I will endeavor to briefly outline what our problem is in connection with our source of wheat in Washington and Oregon as well as the transit we apply on shipments to California.

Grain originating in the two states mentioned moves predominantly into our Spokane and Portland mills via Union Pacific, Northern Pacific, and Spokane, Portland & Seattle Railway. We do buy some grain originating on the Great Northern in Washington, but this is in very lim- [fol. 174] ited quantities simply because there are so few grain elevators located on this railroad.

All flour and millfeed we sell is based on a Portland price, plus a 44½-cent transit balance to Northern California and balance rate of 52 cents to Southern California. The through rate from the Palouse area of Eastern Washington to Northern California, is 74 cents. The paid-in rate from this same area to either Seattle or Portland is 29½ cents and the transit balance upon which we figure our flour price is the difference, or 44½ cents. The rate to Southern California is arrived at by taking the through rate from common points in Montana of $1.34, and deducting a paid-in rate to the Coast of 82 cents, leaving a balance of 52 cents.

In this proceeding, we are concerned with the 44½-cent transportation cost to reach such points as San Francisco, Oakland, Sacramento, Stockton, and San Jose. Transit is applied to these destinations originating in Eastern Washington and Oregon and Northern Idaho which reflects a balance rate of 44½ cents to us.

There are times when we are able to secure Great Northern origin wheat only to find our transit balance rate exceeds the normal one of 44½ cents to Northern California.

For example, in years past we have purchased many carloads of wheat originating on the Mansfield Branch of the Great Northern in Central Washington and along the [fol. 175] Main Line East of Wenatchee, but this transit is no longer good to us to California at a competitive balance rate of 44½ cents. We do not have any problem in securing enough Great Northern transit for Southern California destinations, because the transit applied on these flour movements represents wheat originating in Montana and most of this is on the Great Northern.

On the other hand, we are severely handicapped at times when shipments are made to Northern California destinations such as San Leandro, Sacramento and Stockton. As mentioned earlier, we have a very limited amount of Great Northern origin grain originating in Washington and when we are required to ship to some of our customers either located exclusively on the Western Pacific or, for other reasons, we find we must absorb an amount equal to 7½ cents which represents the difference between the Montana transit balance of 52 cents and the Washington-Oregon normal transit balance of 44½ cents. This is not on an occasional car, but occurs on a considerable number of cars we ship each month, especially from our Portland plant.

A study of our records shows this has averaged nine cars per month since July 1, 1960. From this same mill since July 1, 1960, our records show we shipped an average of 45 cars per month to Northern California.

Other than the nine cars mentioned, we must ignore any [fol. 176] customer request for Western Pacific routing because we do not have transit which can get us to destination at a rate of 44½ cents.

The routes sought by the Complainants would be of considerable benefit to Centennial Mills, Inc., as it would give a much greater flexibility to our transit operation, and most important of all to us would be a saving of 7½ cents per cwt. on an appreciable number of cars. If published, I am sure that Centennial Mills, Inc., would use them. In addition, it would enable us to buy wheat without the penalty which is presently being assessed on certain cars of wheat that are routed Great Northern into one of our mills.

We have just gone through a period of being assessed one cent per bushel penalty simply for the privilege of obtaining Great Northern origin wheat for proper transit, whereas, if the Union Pacific and Northern Pacific transit could be applied to Western Pacific destinations, we would have much more freedom in securing Washington-Oregon wheat without being penalized.

The penalty I have just referred to has nothing to do with the line-haul rate, but is a premium of one cent per bushel we must pay the broker if we want Great Northern origin wheat from Washington or Northern Idaho. For the next three months, or until new crop wheat, we will not be able to even avail ourselves of this opportunity and, of [fol. 177] course, will have to go back to using Montana wheat transit and paying a penalty of 7½ cents cwt. as mentioned earlier in my statement.

Mr. Treanor: Mr. Examiner, that completes the direct examination of this witness.

Exam. Wright: Cross-examination.

Mr. Hobbs: I have none.

Cross examination.

By Mr. Farrell:

Q. Mr. Kasen, on all wheat originating either on the Northern Pacific or on the Union Pacific in Idaho, Washington or Oregon, moving into Portland, the transit balance for movement beyond to destinations in Northern California is 44½ cents, isn't that correct?

A. Did you say all of the wheat—I am sorry.

Mr. Farrell: Read my question back, please.

The Witness: Yes, please.

Exam. Wright: Mr. Reporter, read the question.

(Question read.)

The Witness: No, it is not.

By Mr. Farrell:

Q. What is the fact?

A. If I can express it another way, if the rate is less than 23½ cents, the transit balance becomes higher than 44½.

Q. But isn't that the exception rather than the general rule in most cases, the inbound rate would be more than 23 cents, would it not?

A. (No response.)

[fol. 178] Q. In the great majority of the cases?

A. Well, before September 30, 1960, the answer would be, yes, but we have had another rate adjustment in the Pacific Northwest, so that to be fair about it I don't know whether I can answer it.

I would say in quite a number of cases, I would say, yes, but there again I am only guessing unless I had a tariff in front of me.

Q. Yes. Now, the situation which you complain of in the second full paragraph on page 3 of your statement, what you say there, as I understand it is, "From the Mansfield Branch on the Great Northern in Central Washington and along the Main Line east of Wenatchee," that the transit balance there, that you have to pay for movement out beyond Portland, is 52 cents rather than 44½ cents?

A. No, from these stations it ranges from a transit balance of about 47 cents to close to 52 cents.

In some places, I think it exceeds 52.

Q. All right. Now, that same territory, same general territory on the Northern Pacific, the transit balance that you would have to pay would be 44½ cents, would it not?

A. Yes.

Q. In other words, we apply the uniform transit balance throughout the state?

A. The Northern Pacific doesn't. We do as flour ship-

[fol. 179] pers, we only pick the transit that gives us the 44½-cent balance. In fact we don't record transit on the Northern Pacific and Union Pacific at times because we have enough of the other, the 44½-cent transit balance billing.

Q. Yes, but if you do record transit from any origin on the Northern Pacific in the State of Washington, if you did record it you could move beyond Portland to Northern California for no more than 44½ cents, isn't that correct?

A. Well, there is a lot of billing that on the Northern Pacific, for example, in Washington, Oregon, that the transit balance exceeds 44½ cents.

Could I give an example, or—

Exam. Wright: No.

By Mr. Farrell:

Q. Well, with the exception of Western Washington, is my statement true?

A. That the transit balance—

Q. With the exception of Western Washington from origins on the Northern Pacific, those shipments registered for transit, you could move those shipments beyond to Northern California for a transit balance of 44½ cents?

A. At our Spokane mills, yes.

Q. Now, from that same area on the Great Northern, you must pay more than 44½ cents?

A. Not from the Palouse area.

Q. From the Mansfield area, I mean the situation you are [fol. 180] talking about here in the second full paragraph on page 3.

A. Yes, that transit billing.

Q. In other words, if the Northern Pacific, under our rate situation, served that same territory, your proportional rate you would have to pay beyond would be 44½ cents?

A. From this same territory?

Q. Yes.

A. We would exceed 44½ from the Mansfield Branch and the points east of Wenatchee up to a certain point.

The Northern Pacific doesn't serve that territory.

Q. I appreciate that, but I say the way our rates are constructed in the state of Washington, if we did serve that territory you would be able to go beyond to a destination, ultimate destination, Northern California, in the Bay territory, for 44½ cents?

A. No, sir, we would not.

Q. Well, now, Mr. Kasen, if the Great Northern provided for you the same rate treatment from the Mansfield Branch, that the Northern Pacific does at origins on its mainline, for example, anywhere in the Spokane region, wouldn't your transit balance be 44½ cents?

A. The difficulty there is that the paid-in rate to the Coast is less than 23½. If it was 23½ or greater, yes, the transit balance would be 44½.

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[fol. 181] Mr. Treanor: Yes, sir, Mr. Wolgamott, please.

WALDO WOLGAMOTT was duly sworn and testified as follows:

Exam. Wright: Please have a seat.

Mr. Treanor: Mr. Examiner, Mr. Wolgamott has also a prepared statement, approximately three pages in length, and copies are presently being distributed to the parties.

I would like to request permission to have him read this as his direct testimony when the distribution is completed.

Exam. Wright: Granted.

Direct examination.

The Witness: My name is Waldo Wolgamott. I am Traffic Manager of Trinidad Bean & Elevator Company with offices at 101 Vallejo Street, San Francisco, California. We serve as exclusive sales agent for the Wallace Grain & Pea Company at Palouse, Washington.

[fol. 182] I have served as Traffic Manager of this company for the last 32 years, and in connection with my duties I have had the opportunity to testify before the Interstate Commerce Commission.

We ship freight by rail from the State of Washington to destination points in California. The Wallace Grain & Pea Company sells dried peas and lentils to customers located at Sutter and San Leandro, California. The customer at Sutter, which is ten miles west of Yuba City, is located at a station which receives service only from the Sacramento Northern Railway. The customer at San Leandro is located on a Western Pacific siding, and San Leandro is within the switching limits of Oakland on the Western Pacific.

The Wallace Grain & Pea Company uses storage in transit privileges at Palouse that are published by the

Great Northern and Northern Pacific. We experience no complications in supplying our customers at Sutter and San Leandro when the transit credits on hand at Palouse represent shipments which have moved inbound by the Great Northern. In such instances, the freight charges are based upon the through rate from the initial point of origin to the final destination in California, plus a nominal charge for the transit charge at Palouse.

As there are no through rates on these commodities applying via the Northern Pacific, Great Northern, Western [fol. 183] Pacific or Sacramento Northern routing, we do incur difficulty in moving these commodities into destinations on Western Pacific and Sacramento Northern. There have been times when customers at various points in California located on the Western Pacific or Sacramento Northern have ordered shipments of peas or lentils at a time when the only transit credits at hand at Palouse covered shipments which Northern Pacific had moved inbound for transit.

An example of this kind of shipment occurred on a shipment of peas originated at Johnson, Washington, on the Northern Pacific and stored in transit at Palouse. Subsequently, the shipment was tendered unrouted to Northern Pacific, which moved it to Oakland via Northern Pacific—Pascoe—SP&S—Portland—Southern Pacific and then the Western Pacific switched it from Oakland to San Leandro.

The Western Pacific levied a charge of $71.03 for its switching service based upon the published switching charge of $1.41 per net ton for 100,750 pounds. Southern Pacific, which moved the car in line haul service to Oakland, refused to absorb the Western Pacific switching charge. The Southern Pacific's refusal was based upon its tariff provision which provides that it would absorb connecting lines' switching charges only on "competitive" traffic. This traffic was not "competitive" because there were no through rates from Johnson, Washington, to San Leandro, applying over [fol. 184] the Western Pacific.

The situation at Sutter, California, served only by Sacramento Northern, is even more serious. Today the lowest

rate applying from Johnson, Washington, to Sutter, California, is a combination rate which is higher than the through rate provided for on shipments which originate at nearby points on the Great Northern and, because of the location of Sutter, of course, the penalty which we pay when the traffic originates at points other than the Great Northern, is higher than the switching charge which we are penalized at San Leandro.

There is no question in my mind but that we would route a considerable number of shipments to Sutter from points on the Northern Pacific through Bieber if we had available the same rates as are applicable from origins on the Great Northern. When we have used the Bieber gateway in connection with service on the Great Northern and Western Pacific, we have found such route to be fully satisfactory.

Mr. Treanor: That completes the direct testimony, Mr. Examiner.

Exam. Wright: Cross-examination.

Mr. Hobbs: No questions.

Cross examination.

By Mr. Farrell:

Q. Mr. Wolgamott, in the 32 years that you have been traffic manager of the company, have you ever requested the Northern Pacific to publish and join the publication of [fol. 185] basis of rates which you here seek on the basis of this prepared statement you have now read into the record?

A. To my knowledge, I have not.

We are a branch of a concern out of Denver, Colorado, and they may have initiated something back there. It has only been in the last two or three years that we have had occasion to use this particular routing.

Q. During that period of time have you requested the other organization to initially request the rates?

A. Formerly, I did not.

Q. And did you decide to become a witness when you were solicited by the Western Pacific?

A. That is correct.

Mr. Farrell: I have no further questions.
Mr. Burkett: I have some.

By Mr. Burkett:

Q. What is the name of your parent company at Denver, Colorado?
A. The Trinidad Bean & Elevator Company.

Mr. Burkett: That is all the questions I have.
Exam. Wright: Any further cross?

(No response.)

Exam. Wright: Any redirect?
Mr. Treanor: Just one question.

Redirect examination.

By Mr. Treanor:

Q. Would you like to request the rates now?
[fol. 186] A. Yes.

Mr. Treanor: Thank you.
Exam. Wright: Any further questions?

(No response.)

Exam. Wright: Thank you very much, Mr. Wolgamott. You are excused.

(Witness excused.)

Exam. Wright: Call your next witness.
Mr. Treanor: Mr. Kunzmann, please.

N. C. KUNZMANN was duly sworn and testified as follows:

Exam. Wright: Have a seat, please.
Mr. Treanor: Mr. Examiner, like the other witnesses, Mr. Kunzmann has a prepared statement which is being distributed. I would like to request permission for him to read this statement as his direct testimony in the proceeding.

Exam. Wright: Granted.

Direct examination.

By Mr. Treanor:

Q. Wait until it is distributed.

(Short pause.)

A. My name is N. C. Kunzmann. I am Traffic Manager of the Pacific Coast Paper Mills located at Bellingham, Washington.

I would like t[illegible]ake a change here. Pacific Coast Paper Mills is now a division of Puget Sound Pulp and Timber located at Bellingham, Washington.

[fol. 187] I have been with this company for the past 20 years and have been Traffic Manager for the last ten.

Our plant at Bellingham is located on the lines of the Great Northern, but we are also served by the Northern Pacific through switching arrangements. We ship paper and paper articles to San Francisco, Los Angeles, and other points in California in an approximate volume of 12,000 tons annually.

We are using the service of the Western Pacific through a routing with the Great Northern via Bieber. Our total shipments are approximately 780 to 850 cars annually to California, via all routes.

We prefer to ship via the Bieber Gateway as we are located on the Great Northern and the service via this route has been good. Sometimes, however, we do run into difficulty in the question of car supply, and at such times it is necessary for us to request cars from the Northern Pacific.

It is our company's policy to provide a line-haul to the railroad which furnishes the equipment. Consequently, when we request cars from the Northern Pacific, we route the traffic via Northern Pacific, Portland, Southern Pacific, and this forces us to route traffic via the Southern Pacific Company at times when our definite preference is to use the Bieber route. Of course, physically, we could route the traffic Northern Pacific, Portland, Great Northern and

thence via Bieber route but the rate difference is too great. [fol. 188] Frankly, we have found that the service provided by the Great Northern and Western Pacific over the Bieber route is more dependable than the service of the Southern Pacific via Portland.

It has been our experience that we save one day's delivery service when we move via the Bieber Gateway to Northern and Southern California. During car shortages on the Great Northern, we do use on occasion motor vehicles and our transportation costs in such instances are considerably increased. If the Northern Pacific were to join in the through rates here sought, we could use their cars, give them a line haul via the Bieber Gateway, and both facilitate or retain our quicker delivery schedule and not have to pay the considerable penalty which is present in today's rate schedule via such a route.

Mr. Treanor: That completes the direct examination of this witness, sir.

Exam. Wright: Cross-examination.

Cross examination.

By Mr. Burkett:

Q. Mr. Kunzmann, you appreciate, do you not, that the rates which are here sought necessitate an interchange at Portland which would necessitate traffic from your plant going through the Portland yard?

A. I realize that.

Q. And do you know how the time and service by going [fol. 189] through the Portland yards on the Bieber route would compare with the service by Northern Pacific-Southern Pacific?

A. Actually, no.

Mr. Burkett: That is all I have.

Exam. Wright: Any further cross?

By Mr. Farrell:

Q. Mr. Kunzmann, in the years that you have been connected with this company, have you ever requested the Northern Pacific to join in through rates through the Bieber Gateway?

A. Verbally, yes, many times.

Q. Have you ever made any written request?

A. No.

Q. Have you ever docketed any proposal?

A. You mean by request to Northern Pacific?

Q. Yes.

A. No.

Q. Have you ever contacted Mr. Davis who sits here in this room?

A. Personally, no.

Mr. Farrell: Thank you, I have nothing further.

Exam. Wright: Any further cross?

(No response.)

Exam. Wright: Redirect?

Redirect examination.

By Mr. Treanor:

Q. Would you know Mr. Davis if you saw him?

[fol. 190] A. I have to admit, no.

Mr. Treanor: Would you mind pointing him out, Mr. Farrell?

Mr. Farrell: Yes.

Mr. Davis, would you stand up, please?

(Applause.)

By Mr. Treanor:

Q. Mr. Kunzmann, are you willing to discuss this matter with Mr. Davis now that you have met him?

A. Yes.

Recross examination.

By Mr. Farrell:

Q. But up to the present time you have not discussed this matter with Mr. Davis?

A. No.

Q. And you decided to become a witness when you were solicited by the Western Pacific, is that correct?

A. That is correct.

Mr. Farrell: I have nothing further.

Exam. Wright: Anything further?

Mr. Treanor: No, sir.

Exam. Wright: If not, you are excused, Mr. Kunzmann, thank you very much.

(Witness excused.)

Exam. Wright: Do you have another witness, Mr. Treanor?

Mr. Treanor: Yes, sir. Mr. Cox.

JOHN M. Cox was duly sworn and testified as follows:

[fol. 191] Exam. Wright: Please be seated.

Mr. Treanor: Mr. Examiner, Mr. Cox, like the other witnesses, has a prepared statement, and I would like to request that he be permitted to read his prepared statement after the distribution has been completed.

Exam. Wright: Granted.

Direct examination.

By Mr. Treanor:

Q. Mr. Cox, would you please read your statement.

A. My name is John Cox. I am Purchasing Agent for the American Pipe & Construction Company, Portland,

Oregon. I have been employed by that company for a period of 15 years, and virtually all of that time has been spent in the traffic and purchasing departments. My company is interested in this proceeding and I have been authorized to appear at the hearing for the purpose of explaining our situation.

American Pipe & Construction Co. is engaged in the business of fabricating various iron and steel articles at Portland, Oregon. After fabrication, we ship the finished products by rail to points in the Pacific Northwest area north of Portland.

We purchase the steel raw materials which we use in our fabrication at various points, including Kaiser, California. The seller at Kaiser is served by The Atchison, Topeka and Santa Fe Railway Company, and the Southern Pacific Company.

[fol. 192] When we move our Kaiser, California, purchases of iron and steel to Portland via Southern Pacific, we are able to fabricate in transit and ship the products to points beyond via either the Great Northern, Union Pacific or Northern Pacific. Through rates apply via Southern Pacific through Portland to points on all the northern lines mentioned.

We do not ship all of our steel from Kaiser to Portland via Southern Pacific, because we like to give the Bieber route some of our business. Our average shipments from Kaiser to Portland via this route are approximately 25 cars a year. It should be understood, however, that as we are in a jobbing business, there is a considerable variation from year to year in the number of carloads so shipped.

We have no complications in our transit operations when we ship into Portland from Kaiser via Bieber as long as our customers at points beyond are located at stations served by the Great Northern. We have through rates to all points needed on that line. Our principal difficulties in the past operations of our fabricating in transit have arisen from the fact that we do not have through rates via Bieber to points on the Northern Pacific or Union Pacific.

There are many times when the final destinations of the fabricated products are not known at the time when we ship the raw materials into Portland for transit. Not all our customers in the Northwest are served by the Great [fol. 193] Northern. Consequently, we have to keep a constant check on these inbound movements to Portland to be sure that we are prepared to supply customers located at points beyond on the Northern Pacific or Union Pacific.

We are in trouble when situations develop where customers are on the Northern Pacific or Union Pacific and the only transit credits that we have are for inbound shipments of steel to Portland via Bieber. There are no through rates from Kaiser to points on those lines, so the freight charges would have to be based upon combination rates. It would certainly be to our advantage to be relieved of the present complexities in our transit operations, which have been brought about by the failure of the lines to provide us with the rates we need.

The lack of rates to points in the Northwest on the Northern Pacific and Union Pacific has also prevented us from moving as much of our tonnage via Bieber as we would like. I am sure that we would use these rates if published. We have found that the service via the Santa Fe, Western Pacific and Great Northern route is good and desire to continue using such route.

Mr. Treanor: Mr. Examiner, that is the direct testimony of this witness.

Exam. Wright: Cross-examination?

Cross examination.

By Mr. Burkett:

Q. Mr. Cox, if you shipped all of your shipments from Kaiser to Portland via Southern Pacific, you wouldn't have [fol. 194] any of these transit complexities to which you refer, would you?

A. I understand we would on some points on the Great Northern, sir. I have been given to understand that is right.

Q. What points on the Great Northern?
A. Points such as Wenatchee, and that area.
Q. Do you mean to say there is no through rate by the Southern Pacific-Portland-Great Northern-Wenatchee?
A. I may be wrong.

Mr. Burkett: That is all I have.
Exam. Wright: Any further cross-examination?

(No response.)

Exam. Wright: Any redirect?
Mr. Treanor: No, sir.
Exam. Wright: Thank you very much, Mr. Cox, you are excused.

(Witness excused.)

Mr. Treanor: Mr. Stoll is our next witness, sir.

Robert Stoll was duly sworn and testified as follows:

Exam. Wright: Please be seated.
If you are making the same request regarding this witness it is granted.

(Laughter.)

Mr. Burkett: The reporter won't like it.

[fol. 195] (Laughter.)

The Witness: Are we ready?
Exam. Wright: Just a minute, until he gets through.

(Short pause.)

Direct examination.

By Mr. Treanor:

Q. All right, sir.
A. My name is Robert Stoll. I am Traffic Manager of H. J. Stoll & Son, Portland, Oregon. We are in the business of buying and selling grain and grain products, in-

cluding cottonseed meal. We ship cottonseed meal from points in California, including Fresno and Bakersfield, California, to various points in the Northwest. When our customers are located at points on the Great Northern Railway, we have shipped the traffic by the Santa Fe, Western Pacific, Great Northern route via Bieber. On shipments of cottonseed meal from Fresno or Bakersfield to points in the Northwest which are located on the Northern Pacific and Union Pacific, we have only one route available to us and that is Southern Pacific through Portland, Oregon. Examples of such destinations are Sumas, Olympia and Yakima, Washington, and Hermiston and Pendleton, Oregon.

We feel that we should have both routes available with the same rates. This, we believe, would eliminate delay that we now experience from having to depend upon the car supply of only one railroad, namely, the Southern Pacific Company, when we desire to reach destinations on [fol. 196] the Northern Pacific and Union Pacific. Primarily, these delays arise when Southern Pacific Company is unable to furnish covered hopper cars at the time that we need them. With routes available to us, we could rely upon both the Santa Fe and Southern Pacific for this equipment. It is my opinion that with the equipment resources of both railroads available, we would save many orders which we now lose because the customers demand immediate service. I believe it is also apparent that such a situation would help to reduce customer irritation and dissatisfaction caused by such delays.

Mr. Treanor: That completes the direct examination.

Cross examination.

Mr. Farrell: No questions.

By Mr. Burkett:

Q. Mr. Stoll, isn't it a fact that there are open routes now available by Santa Fe via Bakersfield to Stockton, thence by Southern Pacific from Stockton to Portland?

A. I believe so.

Q. Yes. And is it not also a fact that there are open routes available by Santa Fe from Fresno to Stockton, and thence by Southern Pacific from Stockton to Portland?

A. I believe so.

Mr. Burkett: That is all.

Exam. Wright: Any further cross?

(No response.)

[fol. 197] Exam. Wright: Any redirect?

Redirect examination.

By Mr. Treanor:

Q. Do you want to continue to rely only on the Southern Pacific?

A. No.

Mr. Burkett: Will you please read the question?

(Question read.)

Recross examination.

By Mr. Burkett:

Q. That is what you desire to have, is to have the privilege of originating traffic on the Santa Fe at Fresno and Bakersfield?

A. (Witness nods head affirmatively.)

Q. Your answer is yes?

Exam. Wright: What was the answer?

The Witness: Basically, yes.

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[fol. 199] C. V. DONALDSON was duly sworn and testified as follows:

* * * * * * *

Direct examination.

The Witness: My name is C. V. Donaldson. I am Traffic Manager of Consolidated Dairy Products Company located [fol. 200] at Seattle, Washington. I have been engaged in my present position for 24 years and have spent 24 years in traffic.

Our company ships butter from Seattle, Washington to San Francisco and also to Los Angeles and other points in Southern California. Our plant is located on the Northern Pacific at Seattle, but we are accessible to the Great Northern through switching.

We have found that California is a natural and important market for our product as the Ex Parte general freight rate increases have served to gradually force us out of markets in the Middle West. We have been shipping traffic via Bieber in connection with a Great Northern and Western Pacific routing and I have found that such service is good.

As we are located on the Northern Pacific, it is necessary that on traffic which is routed via the Great Northern, we must rely upon the Northern Pacific to switch the cars to the Great Northern at Seattle. This switching service today takes about 24 hours, but I have found that once the traffic is given to the Great Northern, it is handled in such manner as to make up for the car delay involved in the original switching at Seattle.

If the Northern Pacific would participate in the routings via Portland and Bieber, we could save delay in switching by giving the Northern Pacific a line haul as far as Portland. I believe it is important that we have additional [fol. 201] inter-railroad competition south of Portland. It has been my experience that where there is competition between the carriers, it serves as an incentive to excel in service matters and we believe this would be beneficial to our company.

We are in favor of the creation of additional competitive routes between the Pacific Northwest and California for another reason. It would increase the flexibility of rail service by affording us a wide choice of routes for such purposes as stopovers in transit and diversion and reconsignment.

It is my understanding that the Western Pacific is also proposing competitive rates and routes from Ellensburg, Washington, to California via Northern Pacific-Portland-Great Northern, thence over the Western Pacific beyond Bieber. Such a result would be beneficial to us as the Northern Pacific has published storage and repacking in transit privileges at Seattle on butter from Ellensburg.

Such a publication would permit us to ship south of Seattle under storage in transit with routing via Bieber, which is something we cannot do under today's conditions. As of today, there is no through rate applying from Ellensburg to California through Seattle, thence via the Northern Pacific and its connections through the Bieber Gateway.

By Mr. Treanor:

Q. Now, sir, have you ever asked the defendant lines for the establishment of the rates that are here sought?

[fol. 202] Mr. Burkett: I would like to have the question clarified to indicate what defendant lines.

Mr. Treanor: It includes the defendants that are working with you, your client, Mr. Burkett, the Northern Pacific and the Union Pacific and their connections, and it does not include the friendly defendants, Great Northern, Santa Fe.

Mr. Burkett: Thank you, sir.

The Witness: I have asked verbally, but not by formal application for such privilege.

By Mr. Treanor:

Q. Now, sir, have you recently made it a point to familiarize yourself with the manner in which your traffic is

actually handled on a movement from the Northwest through Portland?

A. Yes, I have made a very thorough study of our time in transit of all cars by both Great Northern and Western Pacific routing, and over the Northern Pacific-Southern Pacific, as a result of recent meetings on the so-called merger study.

I have been at a number of meetings during the last half of last year on this subject and was interested in determining if we could get better service now rather than to wait for a merger.

The result of that study has been to familiarize myself with car movements and with the time in transit of the cars.

Q. And what did that study show?

A. It showed that we were wasting 24 hours in Seattle by [fol. 203] either route, and that we were wasting roughly 24 hours in Portland via the Northern Pacific-Southern Pacific route.

Q. Now, just for clarification, when you talked about your studies being made in connection with a merger, which merger application do you have in mind?

A. I am speaking of the merger of the Santa Fe-Western Pacific or the application of the Southern Pacific to the merger of the Western Pacific.

Q. And, sir, just so the record may be clear, did we solicit your help in this case?

A. Yes, you did, and I am grateful for it.

Mr. Treanor: Thank you. That concludes the direct.

Exam. Wright: Cross-examination.

Cross examination.

By Mr. Farrell:

Q. Mr. Donaldson, during the entire 24-year period that you have been traffic manager of this company, have you been shipping butter into California?

A. No.

Q. When did this movement commence?

A. When we built the Los Angeles plant, and I don't recall the year exactly, but it would be roughly 12 years.

Q. And during this period of time has this movement been relatively constant?

A. No, it has increased each year.

Q. Am I to understand then that 1960 was the largest [fol. 204] movement that you have had in the past 12 years?

A. I didn't prepare the data on the relative basis, but it is a fair assumption, yes.

Now, normally when you seek additional routing, or when you seek a change in rates, do you customarily in your business docket a proposal, make your written request as to what you want so that the carriers have a written record of it?

A. (No response.)

Q. Is that the customary manner in which you operate or not?

A. No, it isn't.

Q. You customarily handle all your requests for rates and routes verbally?

A. Not all.

Q. In cases where you want something that is of some importance to your company, do you generally make a written record of it and give a written record to the company?

A. No, not necessarily.

Q. Have you made any study of the volume of the traffic going to your Los Angeles plant that moves via the Portland-Southern Pacific route, or that moves via the Bieber Gateway, as to the percentage breakdown as between the two routes?

A. I don't completely understand your clarified question there. May I have it repeated, please?

Exam. Wright: Will the reporter read the question?

(Question read.)

[fol. 205] The Witness: Yes, I have.

By Mr. Farrell:

Q. At what period of time did this encompass?

A. The study which I previously mentioned covered 1959 and 1960.

Q. Now, presently from your Seattle plant, you have the same line of rates applying both ways, do you not?

A. That is correct.

Q. And what did that breakdown show, percentagewise?

A. Well, roughly one-third of the cars are moved over the Western Pacific, and the other two-thirds have moved over the Southern Pacific.

Q. And has that percentage been relatively constant for some period of time, if you know?

A. No, it is happenstance.

Q. Now, what do you mean by happenstance?

A. It is my judgment as to which carrier I will use and for that reason I may ship for six months with one carrier, with none to the other, and then may divide the tonnage equally for a period of time or as in the present case in which I am trying to find the service to get cars out of Seattle more rapidly, in the present case I am routing exclusively with Great Northern-Western Pacific and have been for roughly three months.

Q. Did you commence to route by Great Northern-Western Pacific after you had been contacted by the Western Pacific?

[fol. 206] A. No.

Q. When did you first commence, then? What was the reason for it?

A. The reason was to see if by giving the Great Northern each car each day through a period of time that they could set up the operating mechanics of moving that car off of our siding to the interchange and into an earlier train, and by so doing we have improved the service from 24 hours to roughly 16 or 18 hours in Seattle.

In other words, the cars formerly were averaging 24 hours at Seattle, and by introducing and routing and staying with it until we worked out all the bugs, we now have

a service in which cars are getting away within 16 or 18 hours after loading.

Q. Are you aware of the changes that have taken place to reduce this time by six to eight hours?

A. Yes, I have.

Q. What are those changes?

A. The mechanics of it are simply that the car will be pulled, taken to an interchange and put into an 11:00 a.m. train out of Seattle instead of being held until 4:00 or 5:00 o'clock that day after loading.

From an operating standpoint, I don't know what the mechanics of the movement of the trains is, no.

Q. You are not familiar with that?

[fol. 207] A. No.

Q. But this is what is now taking place?

A. That is right.

Q. And this has resulted in improving the service to the extent you mentioned?

A. And I don't mean to imply by this that the Northern Pacific could not do the same.

Q. Now, are you familiar with the switching operation at Portland, Oregon?

A. No.

Q. Do you, to your knowledge—

A. No, only to the extent of the testimony that was given yesterday and the amount of time that it takes to put cars through Portland.

Q. Now, am I to understand from that, then, that the basis of your opinion of the 24 hours in time wasted at Portland is the information which has been furnished to you by other people?

A. By the carriers themselves.

Q. By the carriers themselves?

A. That is right.

Q. And you have relied upon their statements?

A. That is right.

Q. And if I would ask you the same question with reference to Seattle, I would have the same answer?

[fol. 208] A. Yes.

Mr. Farrell: I move that his response with respect to 24 hours delay at Portland be stricken from the record as hearsay.

Exam. Wright: It is hearsay, but I will let it stand.

By Mr. Farrell:

Q. Could you give me the volume of your movement that originates Ellensburg, that moves into your Seattle plant, and hence on into destinations in California?

A. Now, I don't have those figures with me. I would be glad to furnish them later if you wish.

Q. But this is a transit operation at Seattle?

A. There is no transit operation being carried on at the present time.

Q. When this traffic is routed Northern Pacific-Portland, Southern Pacific beyond, do you have a transit rate available to you?

A. Yes.

Q. Through rate?

A. Yes.

Q. And are you transiting on the basis of that through rate at the present time?

A. No.

Q. And you have had that rate available to you for a number of years?

A. Yes.

[fol. 209] Q. And during the past three months am I to understand that all your traffic has been routed Great Northern beyond Portland via the Bieber Gateway?

A. Yes.

Q. So you have made no comparison then during this period of time of the service available via both routes?

A. In this period of three months, no.

Q. And you have found that once you gave them all your traffic that the service improved, is that correct?

* * * * * * *

A. Yes, the service improved.

Mr. Farrell: I have nothing further.

By Mr. Burkett:

Q. Now, today you have these two routes available, one by the Great Northern from Seattle to Bieber, thence Western Pacific, and the other by Northern Pacific to Portland, thence Northern Pacific, is that right?

Mr. Hobbs: Southern Pacific.

[fol. 210] By Mr. Burkett:

Q. Thence Southern Pacific?

A. That is right.

Q. Now, do you have—does this 24-hour delay at Portland to which you have referred apply to the traffic which is today moving by Great Northern from Seattle to Bieber?

A. No, because it doesn't go into Portland.

Q. Now, in reaching the conclusions that you have expressed, have you given any consideration to whether this requested route of Northern Pacific-Portland, Great Northern, will require more time or as much time as the traffic which today moves Northern Pacific-Portland-Southern Pacific?

A. I have given a great deal of consideration to it, and I can see no reason why Northern Pacific-Great Northern-Western Pacific, would take any more time than the present Great Northern route has taken, because I am quite sure in my own mind that once the route is established that the carriers will do the necessary in making the proper interchange.

Q. Now, by proper interchange, you mean an interchange at Vancouver rather than interchange at Portland?

A. Yes.

* * * * * * *

[fol. 211] CLIFFORD WORTH was duly sworn and testified as follows:

Direct examination.

By Mr. Treanor:

Q. Would you please state your full name, sir?

A. My name is Clifford Worth.

Q. And by whom are you employed, sir, and in what capacity?

A. I am supervisor of traffic analysis, Fibreboard Paper Corporation, 475 Brannan Street, San Francisco.

Q. Mr. Worth, has the Western Pacific solicited your help in this proceeding?

A. No, I volunteered to appear in this proceeding.

(Applause.)

Mr. Burkett: Eager beaver.

Mr. Treanor: Mr. Examiner, Mr. Worth, on behalf of his client, has requested that he be permitted to make an extemporaneous statement. It is not prepared, but he wants [fol. 212] to explain for the record the interest of his company in this proceeding and the reason for their appearance.

I would like to request that we ask Mr. Worth to state the position of his company and the reasons therefor.

Exam. Wright: Very well. Subject to any objections that may arise during his statement.

Mr. Burkett: Well, Mr. Examiner, Mr. Worth is experienced in Interstate Commerce Commission matters, I know, and if he is going to read a typewritten statement then I think we ought to have copies.

The Witness: I don't intend to read anything.

Mr. Burkett: Thank you.

Exam. Wright: Proceed.

The Witness: Mr. Examiner, I am here appearing on behalf of Fibreboard Paper Corporation simply because I believe it would be to the company's advantage to have ac-

cess of additional routing via Bieber in connection with the Pacific Northwest-California.

And one of the principal reasons why I believe this to be true is that each fall there is a period of car shortage in California where the railroads that serve our different plants are unable to fulfill our entire car requirements, and this problem of car shortage is considerably more acute at those of our plants that are served by only one railroad, as compared with those plants that are reached by two or [fol. 213] more railroads, thinking particularly about our plant at Stockton, California, which ships a sizeable volume to the Pacific Northwest each year.

For all practical purposes, there is only one routing available on traffic to the Northwest, which is via the Portland route; hence we are able to call upon the Southern Pacific Company for cars and we believe that if an additional routing via Bieber was available that we would then be able to draw upon the additional car supply of the Western Pacific Railroad, with the end result that we would be able to ship more of our traffic by rail to the Northwest than we are able to today during these fall peak shipping seasons.

I believe that we would be able to utilize rail for much of the traffic that now moves by truck to the Northwest caused by these deficiencies in car supply.

Part of our problem is that we manufacture shipping containers for perishable products, and our customers require their shipping container material in conformity with their own packaging schedules, so there isn't time for delay.

Urgencies during these harvest seasons is the keynote of our operation, and if we can't get equipment that day we want it, then the shipments move by truck.

I believe that the granting of the additional operating rights would help the railroads.

Now, apart from this very practical consideration, there [fol. 214] is another reason for my appearance here. We believe at Fibreboard that it is important that each of our 44 plants in the western states have access to good, reliable transportation, rail transportation service, and as a matter of fact Fibreboard is probably one of the Western

Railroad's largest customers, and each year our problem of allocating freight among the different railroads is far less acute than the problem of presenting a runaway use of trucking, and it seems clear to us at Fibreboard that it is high time that the railroads eliminated artificial barriers against the use of their services.

And lastly, or the final point that I would like to ask the Commission to consider, is that when the Bieber route was established in 1929, the public had a reasonable right to expect that there would be a full run-out of rate via that gateway, but this has not yet happened to the extent of the joint rates that are involved in this proceeding.

It seems to me that there should be no delay in fulfilling the obligation to provide full service via the Bieber Gateway.

Now, in order that the Commission can be fully aware of the scope of our problem in shipping from our plant at both Antioch and Stockton, California, to the Pacific Northwest, these are the cities in Washington located on the Northern Pacific and Union Pacific railroads to which shipments were made during 1960, and for which routing via Bieber could not be used:

[fol. 215] Bremerton, Washington; Olympia, Prosser, Pullman, Richland, Shelton, Toppenish, Walla Walla, Yakima, and Bellevue.

The reason why we could not route shipments to these cities via Bieber will become evident on examining this exhibit which I would like to ask be marked for identification.

How many copies do you want?

Exam. Wright: One for me, and one for the reporter.

The one-page document bearing the legend in part, "Comparison Between Lowest 'Through' Rate on Fibreboard Boxes, KD Flat from Stockton and Antioch, California," et cetera, will be marked Exhibit No. 25 for identification.

(Complainants' Exhibit No. 25, Witness Worth, was marked for identification.)

* * * * * * *

By Mr. Treanor:

Q. Does that complete your statement?

A. No, it does not.

This exhibit shows the present through rates to the cities involved to which shipments were made during 1960, which would apply via the Bieber Gateway, which would represent the present through rate in Column 1, compared with the combination rates that would apply via—pardon me, I misstated myself.

Column 1 shows the present through rate that would apply via Portland, and Column 5 indicates the combina- [fol. 216] tion routing that would apply via the Bieber Gateway, and there is a substantial difference between Column 1 and Column 5, and it is just not feasible for Fibreboard to use the Bieber route and incur the resulting freight penalty.

During 1960, our traffic from Stockton and Antioch, California, to these cities was divided approximately evenly between truck and rail.

Mr. Burkett: During what year was that?

The Witness: 1960. And while I would prefer not to disclose our actual volume, if necessary those figures could be produced. I think it is sufficient to say here that our total volume to these cities in 1960 amounted to about 45 carloads. There is every reason to expect that if the establishment of the proposed joint routes—pardon me—to expect that the establishment of the proposed joint routes would result in more of our traffic moving by rail, and that no harm would be done to any of the already existing arrangements.

And this, Mr. Examiner, completes my statement.

Exam. Wright: Thank you. Cross-examination?

Cross examination.

By Mr. Burkett:

Q. Mr. Worth, in your direct testimony you refer to the problem of allocating freight among railroads. What is that problem?

A. I don't recall I state it as a problem. I said the subject of determining which of our tonnage will be allocated among [fol. 217] the different railroads is far less meaningful than the problem of preventing a runaway use of trucking within our company.

Q. Why do you consider it necessary to allocate tonnage among railroads?

A. Well, we feel it is desirable to divide our freight among the different competing carriers.

Q. And during 1960 how did you divide your traffic between the Pacific Northwest, between the Bieber route on the one hand, and Southern Pacific-Portland route on the other hand?

A. Well, as to these cities I have testified about, it is totally via the Portland route.

Q. And about what was the percentage?

A. This is totally by the Southern Pacific to these cities.

Q. With respect to all of your traffic which you moved to the Pacific Northwest, including the cities of Seattle and Spokane, will you please state what portion of your traffic you allocated to the Bieber route and what portion you allocated to the Southern Pacific-Portland route?

A. I haven't made a study. I don't know.

Q. Would you say the greater portion of your total traffic to the Pacific Northwest in 1960 moved via the Bieber route or the Southern Pacific-Portland route?

A. I told you I haven't studied it. I don't know.

Q. Did any of your traffic move to the Pacific Northwest [fol. 218] via the Bieber route in 1960?

A. Yes.

Q. And you can't tell us whether that is ten per cent or 90 per cent of your total traffic?

A. I told you I haven't studied it.

Q. Now, referring specifically to this car supply problem, do you require these cars for shipment to the Pacific Northwest at both your Stockton and your Antioch plant?

A. Yes.

Q. And what type of cars do you require?

A. Double-door 50-foot boxcars.

Q. Just regular boxcars?

A. We prefer double-door 50-foot boxcars. We are unable to secure as many of them as we would like to use, and we improvise with whatever equipment is provided.

Q. Now, with respect to moving via the Bieber route to the Pacific Northwest in 1960, who would supply your cars at Stockton?

A. The railroad that would be given the line haul out of Stockton.

Q. That would be the Western Pacific?

A. If the traffic was to be routed that way, yes.

Q. And supposing traffic moved via the Bieber route out of Antioch, would Santa Fe supply the cars?

A. Yes.

[fol. 219] Q. And then if it moved by Santa Fe to Stockton and thence Western Pacific to Bieber?

A. Yes.

Q. Of your total traffic which moves to the Pacific Northwest, does the greater part originate in Stockton or in Antioch?

A. It is approximately even.

Q. Now, referring specifically to your Exhibit No. —

Exam. Wright: 25.

By Mr. Burkett:

Q. You have shown a rate there of, let us say, 85½ cents from Antioch to Bremerton. Does that rate apply by Santa Fe-Antioch to Stockton, and thence by Southern Pacific to Bremerton?

A. Yes.

Q. Have you ever made any shipments by Santa Fe to Stockton, and thence by Southern Pacific to Bremerton?

A. All of the traffic that would be represented here would move that way.

Q. Have you ever given Southern Pacific any traffic at Antioch?

A. Southern Pacific Company does not reach any of our plants at Antioch.

Q. Yes, but is it not a fact that the rate of 85½ cents would apply from your plant at Antioch to Bremerton by Southern Pacific?

A. No.

Q. It would apply, however, by Santa Fe to Stockton, [fol. 220] thence Southern Pacific.

A. That is correct.

Q. Yes. Now, when did you have difficulty in the fall of —strike that, please.

Have you ever had any trouble getting cars at your plant at Antioch during the year 1960?

A. Yes, during the fall season there is a period each year of car shortage.

Q. And the Santa Fe was unable to supply you cars during that period, were they?

A. With the total car request, yes.

Q. And during that same period did you have trouble getting cars from the Western Pacific at Stockton?

A. Not for shipments to the Northwest. We did not call upon them.

Q. Why is it that you did not use Western Pacific routing to Seattle from your plant at Stockton?

A. We do.

Q. And did you have any trouble during 1960 securing cars for movement by Western Pacific and Bieber route from Stockton to Seattle?

A. The answer would be affirmative.

Q. You did have the difficulty?

A. Surely, we were never able to get our total requirement I testified over and over again to that. I said that our [fol. 221] problems to the plants served by two railroads are less acute than those served by one. It is a matter of degree.

Q. And how many railroads serve your plant at Antioch?

A. The Santa Fe does, and then at times when the Santa Fe cannot provide all the equipment then they draw upon the Santa Fe or the Southern Pacific.

Q. And the two railroads serving your plant at Stockton are the Santa Fe and the Southern Pacific?

A. That is correct.

Q. Now, supposing a shipment during 1960 moved from Stockton to Seattle by the Bieber route. Who would furnish the cars?

A. Western Pacific.

Q. Now, have you had any greater problem or less problem in securing these boxcars from the Santa Fe on the one hand, or the Southern Pacific on the other hand?

A. I think all the railroads are in approximately the same situation.

Q. That is the car supply you have received from the Southern Pacific has been just as good as the car supply you have received from the Santa Fe and Western Pacific?

A. I prefer to state it the other way, equally deficient.

(Laughter.)

Q. Would you say that the car supply which you have received from the Southern Pacific has been any more deficient than the car supply you have received from the Santa Fe and the Western Pacific?

[fol. 222] A. No.

Q. Would you please state on what days in 1960 you were unable to secure cars from Southern Pacific for your shipments?

A. I don't have all of our office records here.

Q. Would you please state in what months you were unable to secure those cars?

A. I don't have our records here. I said in the fall.

Q. Can you tell me whether you were unable to secure those cars for, let us say, a period of a hundred days or a period of five days?

A. I don't have that detail here.

By Mr. Farrell:

Q. Mr. Worth, can you tell me whether any of your shipments that moved to Bellevue moved over the Bieber route?

A. So far as I know, the answer is none.

Q. This past year?

A. None.

Q. And you are aware of the fact that you can reach Bellevue through the Bieber route, and that the Great Northern will absorb the switch charge to Seattle, are you not?

A. No, I am not.

Q. And, therefore, you didn't know that you could route to Bellevue over the Bieber route by the same rate that you can by routing the Southern Pacific?

[fol. 223] A. I told you I didn't know that.

Q. Now, with respect to your shipments moving to Bremerton, have you moved any of those via the Bieber Gateway?

A. No.

Q. Are you aware of the fact that you have rates available through that gateway, through Bremerton?

A. I am aware of the fact that the lowest rate does not include that route.

Q. You are not aware of the fact that Bremerton could be reached by either car through Bieber?

A. I answered the question already.

Q. Now, services of the Cascade Mountains in Portland are important to you, Mr. Worth?

A. Extremely.

Q. Have you considered, in determining your position in this proceeding, the amount of circuity involved in the routes here sought with routing via Portland or not?

A. Yes.

Q. And you are aware that there is substantially greater circuity?

A. Pardon me?

Q. You are aware that there is substantially greater circuity?

A. No, I am not.

Q. You are not aware of that fact?

A. I don't believe it.

[fol. 224] (Laughter.)

Q. Well, do you know how shipments are handled today that are routed Southern Pacific into Portland, and Northern Pacific beyond to points east of the Cascades, do you know how those shipments are actually moved today, of your own knowledge now?

A. Well, I don't understand the full implication of your question.

Q. Do you know how those same shipments, for example to points in Easton, Washington, would be handled under the proposed routes here sought?

A. As I understand the complaint case, the routings that would be established are identical with those that now exist via Portland.

Q. That is your understanding?

A. That is correct.

Q. And it was based on that understanding that you determined your position in this proceeding?

A. Yes.

Mr. Farrell: I have nothing further.

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[fol. 225] OFFER IN EVIDENCE

(Complainants' Exhibit No. 25, Witness Worth, was received in evidence.)

* * * * * * *

P. STEELE LABAGH was duly sworn and testified as follows:

Exam. Wright: Be seated.

Direct examination.

By Mr. Treanor:

Q. Will you please state your full name, sir?

A. My name is P. Steele Labagh.

Q. Mr. Labagh, what is your address?

A. 215 Fremont, San Francisco, California.

Q. And, sir, by whom are you employed and in what capacity?

A. I am employed by the California Packing Corporation in the capacity of traffic director. I have been with the [fol. 226] corporation 40 years in shipping, sales and traffic capacity.

Q. For those who may not be acquainted with Cal-Pack in the trade, what is your trademark on the products you sell?

A. That is a very important question, and I would like to give the answer, Del Monte Food Products.

Q. Mr. Labagh, do you have any affiliation with the so-called Canners League?

A. Yes, I am the chairman of the traffic committee of the Canners League of California, and I am here today in that capacity as chairman of the Canners League.

The Canners League is a combination of canners who pack. There are packed in California 126 million cases of canned goods, and the Canners League members represent 75 per cent of that pack, and those members here today are here by the unanimous agreement of the traffic committee that we are here in behalf of the Western Pacific getting the rates through the Bieber and combination route with the Union Pacific and the Northern Pacific Railroads.

Q. Mr. Labagh, just so the record may be complete, may we have a brief resume of your professional and business experience?

A. I am an ICC practitioner. I also am an attorney-at-law in California. I am chairman of the Canners League traffic committee. I am on the executive committee of the

Canned Goods Shippers Conference, which is a national organization of canners of all types of foods.

[fol. 227] I am on the traffic committee of the Grocery Manufacturers Organization, which is an organization of foods manufacturers, all kinds of foods.

I am on the executive committee of the National Industrial Traffic League, which is a group of industry people throughout the whole United States.

I am on the traffic committee of the Dried Fruit Association.

I am on the traffic committee of the San Francisco Chamber of Commerce and the Oakland Chamber of Commerce.

I am on the executive committee of the Pacific Coast Shippers Advisory Board, and I know there are some others, but I can't remember.

(Laughter.)

Q. Mr. Labagh, can you please for the record state the general reasons for the Canners League supporting the complainant in this proceeding?

A. Generally speaking, the Canners League, and I am speaking for the members, that we want the opportunity of using both railroads, and by both railroads I mean the Western Pacific and Southern Pacific, and the Great Northern, and the Union Pacific and Northern Pacific.

Another reason is that we want it for the purpose of car supply and service. It is just an acknowledged fact of prudence that if you have two railroads serving you the service and the car supply is better than if you are exclu- [fol. 228] sively served by one railroad, or if you are beholden to one railroad.

It gives you greater flexibility in your operations.

Whenever we, and speaking specifically for the California Packing, whenever we build a warehouse or attempt to go out and build a warehouse, one of the fundamentals that the traffic department recommends is that the warehouse must be built on ground that is served by more than two railroads, by two or more railroads.

I don't know that we have ever built a warehouse during my time where we were only served by one railroad for these generalities that I have already named.

It is just in the interest of good business when you look ahead for five, ten, 15, 20 years, to be served by more than one railroad.

Q. Mr. Labagh, do you have any specific situations in mind where either canners or the Western Pacific have been hurt by the absence of these routes?

A. Well, there are some specifics. There are in California some plants of some of the canners that there is no interchange in that particular town. By that I mean the town is only served by one railroad, namely, maybe the Sacramento Northern, or the Western Pacific, or there may be other instances where the cannery is served exclusively by one railroad, and in those two cases why you would have to pay the combination rates in order to ship your [fol. 229] goods to some point now upon the Union Pacific or Northern Pacific, and then there is the other case where there is common service by both railroads, but where your plant is served by one railroad only. In that case, you would have to pay the switch, and to get away from those specifics, why, the canners in California feel that this kind of service, as proposed here, would be to their benefit and would not materially—well, to their benefit.

Q. That concludes the direct examination?

A. It does.

Exam. Wright: Cross examination.

Cross examination.

By Mr. Burkett:

Q. Mr. Labagh, where are Cal-Pack warehouses located in California from which shipments are regularly made to the Pacific Northwest?

A. Well, one warehouse we have is at Alameda.

Q. All right.

A. Do you want all the warehouses?

Q. Yes, generally speaking.

A. Well, I have—

Q. From which you regularly ship to the Pacific Northwest.

A. Rather than go down this list of all the warehouses here, as to what we regularly ship to the Northwest, I think that you should look at this case as representing all the canners, and I can't give you the information for all the canners in California, where their warehouse are located, [fol. 230] so I would be glad to give you this information. It would only clutter up the record, and I don't see any purpose of it, except to say that our shipments in the past, California Packing shipments in the past have been made to the Northwest via the Southern Pacific route.

Q. Have you made any shipments—do you make shipments regularly to Spokane, or Seattle, or Portland?

A. Yes.

Q. Do you use the Bieber route on shipments which you make to Spokane, Seattle or Portland?

A. Not to my knowledge.

Mr. Farrell: What was that answer?

The Witness: Not to my knowledge.

By Mr. Burkett:

Q. Why is it that Cal-Pack does not use the Bieber route on shipments made to Spokane or Seattle?

A. Most of our shipments going north go by the Southern Pacific and, as I say, I am here speaking on behalf of all canners, and I can't say why all canners do not ship, how they ship. All I can say is that this is what they want.

* * * * * * *

[fol. 231] MYRON LINDGREN was duly sworn and testified as follows:

* * * * * * *

Direct examination.

The Witness: My name is Myron Lindgren. I am Traffic Manager and as such, an officer of Yakima Fruit Growers Association, Yakima, Washington. I have been connected with the Association for the past 19 years and have served [fol. 232] eight years as Traffic Manager.

Our organization is a cooperative of 361 individual fruit growers in the Yakima Valley. It is a single corporation organized under the laws of the State of Washington. Our shipping points are Yakima, Selah, Sawyer, Grandview and Kennewick, all of which are served by both Northern Pacific and Union Pacific; Benton City and Ahtanum served only by Union Pacific; and Wapato, Gleed and Weikes located only on the Northern Pacific.

In making our shipments, the individual growers do not appear as the shippers on the bills of lading and all shipments are made by the Yakima Fruit Growers Association and this is so shown on the bills of lading.

We ship fresh apples, cherries, peaches, pears, plums and apricots. Annually we ship the equivalent of an average of 2,000 carloads per year to all points by both truck and rail. Our shipments to California amount to the equivalent of 200 carloads per year and we use both truck and rail service on such shipments. We have found that we can ship as much in a truck as we can in a rail car.

We route the shipments unless our customer specifies a definite route and the freight charges are paid by the customer.

We do not ship any freight to California via the Great Northern, Western Pacific, Santa Fe routes for the reason [fol. 233] that such routes do not have available any through rates from our shipping points and the combination rates which are presently applicable are higher than the rates in connection with the Southern Pacific routing.

We do use the Southern Pacific routings to Northern and Southern California points such as San Francisco and Los Angeles. W are not satisfied with the service which is provided over such routes. It is our feeling that if we had competitive routes and had a choice, we would get better service not only via the Inside Gateway, but also from the Southern Pacific routes. For example, when we ship from Yakima or other shipping points to destinations other than those in California, we have a choice of railroads, either the Northern Pacific or Union Pacific, and generally speaking this competitive service is very good. I know, for example, that we receive better service on our shipments to the east than railroads give us to California. It frequently happens that we get as fast service from Yakima to Chicago, a distance of over 2,000 miles, as we get over the much shorter distance from Yakima to Los Angeles.

At present our schedule to Chicago is fourth evening for fifth morning sale. This is a guaranteed schedule. The Northern Pacific-Southern Pacific route at present is sixth morning delivery to Los Angeles. The piggyback schedule is fourth day arrival in Los Angeles for fifth morning sale. [fol. 234] The Union Pacific schedule to Los Angeles is third day delivery.

It is my firm conviction that it is the existence of railroad competition which is responsible for the better service to the east. I firmly believe that if we had two competitive routes to California, the service would be immeasurably improved. If the Commission grants the relief sought by the Western Pacific and the rates become applicable, we would certainly utilize that service.

Mr. Treanor: I have just one additional question for clarification.

By Mr. Treanor:

Q. Mr. Lindgren, you have testified that the Union Pacific schedule to Los Angeles is third day delivery. How is that traffic routed?

A. Through Salt Lake.

Mr. Treanor: Thank you.

Cross examination.

By Mr. Burkett:

Q. And do the same rates apply by way of the Union Pacific via Salt Lake City to Los Angeles, as applied by Portland and Southern Pacific?

A. Right.

Q. Well, then, why is it that you ever make shipments via Portland-Southern Pacific rather than Union Pacific to Los Angeles?

A. With a Union Pacific origin?

[fol. 235] Q. Yes, with a Union Pacific origin.

A. We don't ship that way. We ship through Salt Lake.

Mr. Farrell: I have nothing.

Exam. Wright: No further cross?

Mr. Hobbs: No.

Exam. Wright: Any redirect?

Mr. Treanor: No, sir.

Exam. Wright: Thank you very much, Mr. Lindgren. You are excused.

(Witness excused.)

Exam. Wright: Call your next witness, Mr. Treanor.

Mr. Treanor: Mr. Cloninger, please.

Avery M. Cloninger was duly sworn and testified as follows:

Exam. Wright: The witness may read the statement that has been distributed to the parties.

Direct examination.

The Witness: My name is Avery M. Cloninger. I am General Traffic Manager of Longview Fibre Company, Longview, Washington. My address is P.O. Box 1019, Longview, Washington. I have served as General Traffic Manager of this company for the past 20 years.

In my present position, I direct the transportation of inbound and outbound material and products at our plants at Longview and Seattle, Washington; Oakland and Los [fol. 236] Angeles, California; and other points not involved in this proceeding.

We are manufacturers of pulp, paper, containerboard and allied products. At Longview our primary production is in excess of 1000 tons per day.

We feel that the failure to publish joint through rates from Longview to California points via the Bieber Gateway has inconvenienced us, and our customers.

I wish the reporter would take down the next sentence as it is different from the statement.

It has deprived us of a freedom of choice in our routings via Northern Pacific and/or Union Pacific, and forced all of our traffic to move via the Southern Pacific south of Portland, except for single-line movement from Longview to Los Angeles via Union Pacific.

We will return now to the statement.

If these rates applied via the Bieber route as well, we would be in a position to utilize Northern Pacific and Union Pacific routed cars via Bieber when Great Northern cars are in short supply. We could also comply with our shippers' requests for a Bieber routing which frequently happens.

Our car shortage problem has been disturbing at times. When we lack a sufficient supply of Great Northern routed equipment, we are forced to disregard requests by our customers for Bieber routing. Our own Oakland plant is served jointly by the Western Pacific and Southern Pacific, [fol. 237] and our Los Angeles plant is served by the Los Angeles Junction Railway.

If we had the Bieber route available to both Oakland and Los Angeles we feel our service would be faster and more efficient, as well as more flexible than what we are now confined to.

I wish to make this additional statement, Mr. Examiner. For many years we have been using 50-foot double-door cars for shipment to California, and we have been alarmed, we are alarmed by the decrease of the supply of such equip-

ment with the advent and continued present growth of bi-level and tri-level auto carrying equipment.

The majority of our tonnage to California destinations is in such form that it can only be loaded in double or more than ten-foot long, 50-foot equipment.

We have been forced to rely more and more on other carriers that serve Longview for an ample supply of such equipment. However, we are deprived of the freedom and flexibility of routing via Bieber when such cars are supplied by the Northern Pacific and/or Union Pacific.

We believe that additional routes would tend to improve transit time and other services through the natural forces of competition.

Q. Just one additional question for clarification.

Mr. Cloninger, when your traffic moves from Longview over the Union Pacific, how is that handled into Los [fol. 238] Angeles? Do you know what the routing is for that?

A. It is via Salt Lake City.

Mr. Treanor: Thank you.

Exam. Wright: Cross-examination.

Cross examination.

By Mr. Burkett:

Q. Well, is it a fact that today you have three routes available to Los Angeles, one by Union Pacific all the way, the second by Great Northern to Bieber, thence Western Pacific-Santa Fe, and thirdly by Northern Pacific or Union Pacific to Portland and then Southern Pacific?

A. That is correct.

Q. And you have also another combination you have today is by Great Northern to Portland, then Southern Pacific?

A. That is right.

Q. So you do have this Bieber route which is available in all instances—strike that, please.

In the Great Northern, the Great Northern does serve your plant in Longview?

A. That is right.

Q. And so you do have available for all shipments that you choose to make by the Bieber route Great Northern origination at Longview?

A. To California destinations?

Q. Yes, sir.

A. That is right.

[fol. 239] Exam. Wright: Any further cross?

By Mr. Farrell:

Q. Now, if you were asked the same questions with respect to Seattle, you also have the car supply of all three roads to draw upon Seattle, do you not?

A. Well, I don't know.

Q. Namely, the Union Pacific and the Great Northern and the Northern Pacific, isn't that correct?

A. We do have a plant in Seattle, but our main shipping point southbound is from Longview, Washington.

Q. You do not originate any shipments out of your Seattle plant for movement into points in California?

A. That is right.

Mr. Farrell: I have nothing further.

Mr. Burkett: I just have one question I neglected to ask.

By Mr. Burkett:

Q. And that is that all your shipments which you make to California are made either to your Oakland plant or your Los Angeles plant?

A. No.

Q. Where else are they made to?

A. Well, most all major cities in California.

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[fol. 240] PAUL J. ROCHE was duly sworn and testified as follows:

* * * * * * *

Direct examination.

The Witness: My name is Paul J. Roche. I am employed as Office Manager and Sales Representative with the Turlock Cooperative Growers, 310 Sansome Street, San Francisco, California. I have been engaged in the food processing business for ten years and have been with the Turlock Cooperative Growers for the past five years.

Turlock Cooperative Growers is a cooperative food canner and processor, consisting of approximately 180 individual producers of fresh fruits and vegetables located at Sacramento, Modesto, Turlock and various other points in the Sacramento and San Joaquin Valleys. Our principal [fol. 241] point for the shipment of the processed foods is located at McHenry, California, a local point on the Tidewater Southern Railway. The purpose of my testimony today is to inform the Commission with regard to the physical location of our plant, the manner in which we ship to the Northwest, and some of the problems facing our organization in the movement of these foods. I am not our company's Traffic Manager and my testimony is not designed to cover such details as the technical intricacies covering rates and routes.

The Turlock Cooperative Growers do ship from McHenry to various points in the Pacific Northwest, for example, Seattle and Spokane, Washington. As these points are located on the Great Northern, we do have through rates from McHenry.

Our preference in making shipments to the Northwest is to ship the traffic via rail, but, as we do not have through rates to all destinations in the Northwest, we are unable to utilize the railroads to the extent that we desire. If we have shipments destined to points in the Northwest served by the Northern Pacific or Union Pacific, such as to Yakima and Walla Walla, Washington, we do not ship the traffic all the way via rail.

McHenry, as well as the nearby competitive point of Modesto, is served by the Tidewater Southern, and Modesto is also served by the Southern Pacific. As traffic originating on the Tidewater Southern must pay combination rates [fol. 242] when destined to points on the Northern and Union Pacific, we have embarked upon the practice of trucking such freight from McHenry to Stockton, where we have a warehouse, for loading into railroad cars and shipping out via Southern Pacific. We could, of course, truck such freight from our McHenry plant to the Southern Pacific at Modesto, but as long as we have the product already in the truck, it is more economical for us to take the traffic to Stockton for loading, because the Stockton rate on the Southern Pacific is lower than the Modesto rate.

We feel that it would be to the advantage of our growers if we had through rates to points on the Northern Pacific and Union Pacific via the Tidewater Southern and Western Pacific, for several reasons. We have been satisfied with the service via the so-called Bieber route based on our use of it to destinations on the Great Northern.

We feel that it would be more economical for us if we were able to ship directly from McHenry by rail, instead of utilizing our own trucks from McHenry to Stockton. If we were able to load our traffic at the McHenry plant directly into the rail cars, we avoid the extra expense inherent in first loading it into the truck, unloading it at Stockton, and then reloading it into the cars. Furthermore, there are times when we would desire to stop for completion of loading in transit at such points as Thornton, California, and this point is served by the Western Pacific.

[fol. 243] Mr. Treanor: That completes the direct examination.

Exam. Wright: Cross-examination.

Mr. Hobbs: None.

Mr. Burkett: Just a moment, please.

(Short pause.)

Cross examination.

By Mr. Farrell:

Q. Have you ever applied for a through line of rates via Bieber from your location at McHenry, California?

A. Yes, we have.

Q. And when did you do that?

A. About three or four months ago.

Q. And did you do that after you were contacted by the Western Pacific Railway Company?

A. Yes, sir. I originally put the petition through on the Southern Pacific for through rates.

Q. And when was that?

A. As I said, about three or four months ago.

Q. Yes.

A. It is on the docket now.

Q. And that was assigned a docket number?

A. Yes, I believe it was.

Q. And what has been the disposition of that docket, if you know? Is it still pending?

A. As far as I know, it is still pending.

Q. It is still pending?

[fol. 244] A. Yes.

Q. There has been no final action taken on it?

A. No.

Q. And then Western Pacific contacted you?

A. That is right.

* * * * * * *

Redirect examination.

By Mr. Treanor:

Q. Mr. Roche, is it, the point that you wanted to establish, that you were a member of the Canners League?

A. That is correct.

Thank you very much.

(Witness excused.)

Mr. Treanor: Mr. Sigloh, please.

FRANK L. SIGLOH was duly sworn and testified as follows:

Exam. Wright: Be seated.

As his direct testimony, Mr. Sigloh may read the state-
[fol. 245] ment that has been distributed to the parties.

Mr. Treanor: Thank you, sir.

Direct examination.

The Witness: My name is Frank L. Sigloh. I am employed as Assistant General Traffic Manager of Boise Cascade Corporation, whose address is P.O. Box 200, Boise, Idaho. My business experience has included 13 years service with Boise Cascade Corporation and its wholly-owned subsidiary, Ames-Harris-Neville Co. Boise Cascade is a diversified forest products, paper and packaging industry.

Our company ships pulpboard from Wallula, Washington, to various destinations in both Northern and Southern California. At Wallula we have available the services of both the Northern Pacific and Union Pacific Railroads. On the bulk of our shipments to Los Angeles, in Southern California, we use the services of the Union Pacific, and it is my understanding that such traffic is handled by the Union Pacific through Salt Lake City, Utah, thence into Los Angeles on the Union Pacific. The routing via Salt Lake City is at the specific request of the Union Pacific.

We do, however, also ship pulpboard to numerous points in Northern California, which are not served directly by Union Pacific, but which are served by Western Pacific, Sacramento Northern or Santa Fe, and which are also served by other carriers, including Southern Pacific Com-
[fol. 246] pany. These points include San Francisco, Oakland, San Lenadro, Richmond and Pittsburg. Under today's conditions, we do not route any shipments from Wallula, Washington, to any of these latter points via the Great Northern-Western Pacific route because the through rates available to us through Portland via Southern Pacific Company are not applicable to the former mentioned route.

On lumber shipments our situation presently differs somewhat from the pulpboard problem. Our lumber mills located in Oregon and Washington on Northern Pacific and Union Pacific ship, on occasion, to both Northern and Southern California destinations, some of which are located on exclusive Western Pacific points. It is very difficult to determine the exact consignees and locations of them as the bulk of the lumber is sold through wholesalers. However, we do know that a customer is located at Hayward, California, on the Western Pacific. In the past when we moved traffic to this customer, we have been subjected to payment of the Western Pacific local rate from Oakland to Hayward, in addition to the charges applying on the through rate from the Northwest with movement via Northern Pacific or Union Pacific to Portland then Southern Pacific to Oakland.

At the present time I am informed that, due to some unusual circumstances, the combination rates on lumber to Northern California points from the Northwest are lower [fol. 247] than the through rates on lumber. Therefore, as to these lumber shipments to Northern California, our problem appears to be temporarily alleviated. However, on the lumber moved to Southern California this situation does not prevail and we do not have available competitive through rates on lumber via the Inside Gateway.

If competitive rates applied via the routing Union Pacific or Northern Pacific to Portland, thence Great Northern to Bieber, thence Western Pacific, I would utilize it for a portion of our traffic. I feel that it is important for us to have competitive routings available and I believe that such a situation would considerably improve our railroad service to Northern California.

Mr. Treanor: That completes the direct examination.
Exam. Wright: Cross-examination.
Mr. Hobbs: I have none.

Cross examination.

By Mr. Burkett:

Q. Referring to the second line on page 2 of your prepared statement, do you ship anything out of Wallula by the Great Northern?

A. No, the Great Northern doesn't go to Wallula.

Q. Referring to the last—strike that, please.

With respect to shipments moving to Southern California, do you have competitive rates on lumber by the Union Pacific route through Salt Lake City?

[fol. 248] A. I don't know. I couldn't tell you. I am not prepared to testify on lumber rates.

Q. Well, you do have a full run-out of rates, do you not, by Northern Pacific or Union Pacific to Portland, thence by Southern Pacific to Southern California, or thence by Southern Pacific to Stockton and then Santa Fe to Southern California?

A. Is that on lumber or pulpboard?

Q. Any commodity.

A. Yes, that is correct.

Q. Just exactly where is Wallula, Washington located?

A. Where is it located?

Q. Yes.

A. It is located on the bend of the Columbia River. It is about 17 miles east of Pasco, east and south of Pasco.

Q. And from—

A. On joint trackage of the Northern Pacific and Union Pacific.

Q. And you presently have a full run-out of rates from Wallula to all destinations in Southern California by either the Salt Lake City route or the Portland route, haven't you?

A. That is correct.

Q. The situation of which you refer at the bottom of page 2 of your statement, which you state, "The combination rates on lumber to Northern California points from the Northwest are lower than the through rates on lumber," how long has that situation existed?

[fol. 249] A. I couldn't tell you.

Q. To your knowledge?

A. I don't know.

Q. This situation, in other words, gives you wide-open routing, does it not?

A. Yes.

Q. Since this situation has occurred, you don't know when it has occurred, has this resulted in any shift in your traffic moving the Bieber Gateway with reference to the Southern Pacific, moving via the Bieber Gateway, if you know?

A. To the best of my knowledge, no, I don't have that information available with me.

Mr. Farrell: Nothing further.

Exam. Wright: Any redirect?

Redirect examination.

By Mr. Treanor:

Q. How long ago did you find out about the situation on the lumber to Northern California?

A. Last night.

Q. Who told you about it?

A. The Western Pacific.

Recross examination.

By Mr. Farrell:

Q. And you were so concerned about these rates you didn't know the situation existed, is that correct?

A. As I testified, I know nothing about lumber rates, and I haven't concerned myself with them.

[fol. 250] Mr. Treanor: His testimony is divided into two parts, pulpboard and lumber.

By Mr. Farrell:

Q. What are the origins on your lumber movements?

A. What are the origins?

Q. What combinations are lower than the through rates, if you know?

A. Well, the origins would be Yakima and Ellensburg, in Washington, Elgin, Joseph and La Grande in Oregon.

* * * * * * *

A. R. ALLEN was duly sworn and testified as follows:

Exam. Wright: Be seated.

[fol. 251] Direct examination.

The Witness: Mr. Examiner, I do not have a—I had better identify myself first. I am sorry.

My name is A. R. Allen. I am manager of the Portland Freight Traffic Association in Portland, Oregon. I have occupied that position since December 1 of 1960.

Prior to that time I was traffic director for the Los Angeles Chamber of Commerce some five and a half years.

Prior to that time, I was traffic manager with Ford Motor Company in various locations on the West Coast for some 14 years.

The Portland Freight Traffic Association is generally and broadly speaking the civic spokesman for the Portland-Vancouver metropolitan area which generally and basically covers a four-county area there surrounding Portland of Clark County, Clackamas County, Columbia County and Multnomah County.

We have as members of our Association the Portland Chamber of Commerce, the Dock Commission of Portland, the Port of Portland, Multnomah County, Vancouver Chamber of Commerce, Longview Port, the Port of Vancouver, the Port of Astoria, and some 150 of the larger more basic shipping organizations in the state of Washington—I mean shipping firms, not carriers, in Oregon, and a number in Washington, of course, too.

Yesterday I entered an appearance as an interested party. For what the record may be worth, I would like to [fol. 252] change my appearance to that now in support of the Complainants' petition.

By the way, I also would want the record to show that I was not contacted prior to the hearing nor during nor otherwise solicited by the Western Pacific nor any carriers who attend the hearing.

Basically, our interest in this proceeding is that one of a civic nature. I am not here necessarily to discuss rates nor routes nor tonnages shipped.

I would like to talk about the interest that we feel there at the Association representing the community we have in this proceeding.

First of all, we feel that the successful outcome of the proceeding and a finding for the complainant basically would, as far as we are concerned in the Northwest area there, provide in part and advance some of the benefits which we hope to eventually obtain from the ultimate and perhaps impending merger of the Northern Pacific, the Great Northern, and the SP&S to some extent.

When those lines do merge, then some of the same through routing then would be applicable that we are concerned with now, insofar as they pertain to the Northern Pacific.

That is not true with respect to the Union Pacific because the Union Pacific is not involved in that particular merger.

Another point that we are interested in, of course, up [fol. 253] there on behalf of our community is that we believe it will provide for a greater and a more complete competitive rail system to our area which will serve the Pacific Northwest, particularly the Pacific Northwest points from California.

Another point that we are of course very interested in, even though Portland is not necessarily in all instances directly affected by this, we believe that a greater freedom in routing, more competition, the greater application of joint routes and rates would materially assist in paving the way for a greater industrial development and a location in the Pacific Northwest.

Our Association, of course, is very actively interested in that. We have worked at least since I have been there with many industries making specific rate studies. We have

worked with the State bodies; we have worked with the Chambers of Commerce encouraging industry to come to our area.

The side results of a favorable decision and a finding for the complainant in this petition, well, as I said before, it would not directly affect Portland. It would affect Oregon and it would affect our metropolitan area.

This is important to us because Portland is basically the principal marketing center of the Pacific Northwest, and we are the basic and principal distributing center there. As more industries come in, be it in Oregon or Washington, even in Idaho, a good portion of that economy rubbed off [fol. 254] on us in Portland.

We have heard much testimony, and it has not been contradictory at all—

Mr. Burkett: Now, Mr. Examiner, I am going to object to this witness attempting to summarize the testimony of record.

The Witness: Very well.

Exam. Wright: I will sustain that objection. Just state your position.

The Witness: It is a well-known fact that the basic economy of Oregon is that of an agriculture and lumber economy. We feel that the greater expansion of through rates and through routes would materially assist our economy and, therefore, we strongly urge and support the complainants' position.

That concludes my statement.

Exam. Wright: Cross-examination?

Cross examination.

By Mr. Hobbs:

Q. Mr. Allen, what you just expressed is really your personal opinion about this, isn't it?

A. When?

Q. About supporting the complainants here.

A. No, it is not.

Q. You said that you came in here yesterday morning, and you were non-committal as to whether or not you were on the side of the complainants or the defendants, but overnight you decided that you would be on the side of the complainants.

[fol. 255] A. Well, would you like to check the appearance statement that I entered yesterday morning?

It shows as an interested party, and also in support of the complainant. It is in my appearance entered.

Q. All I know is what you said in your oral appearance.

Now, is the Portland Chamber of Commerce a member of your Association?

A. Yes, they are.

Q. Do you have specific authority of the Portland Chamber of Commerce to appear here in support of the complainants' case?

A. Generally and broadly, my membership does not specifically authorize us to participate in a case. We do not take it up singly with our membership any more than an ordinary Chamber of Commerce would.

Q. In other words, you have no specific authority from any organization belonging to your Association to appear down here in support of the complainant?

A. Yes, I talked to three of our directors who are our lead directors and are interested in this matter.

Q. Directors of what?

A. Directors of our Association.

Q. Well, the Portland Traffic Association, yes, but how about all the associations that belong to your Association?

A. (No response.)

Q. You have nothing from them?

[fol. 256] A. They belong as a member.

Q. Yes, and you have no specific authority to speak for the Portland Chamber of Commerce nor any other organization that you listed here this morning?

A. No, because we never solicit that specific authority.

Q. Well, for whatever reason, you don't have it?

A. It is not customary to have. We do not have it in any proceeding we have become involved in.

Q. Well, the answer to my question is that you have no specific authority?

A. No.

* * * * * * *

[fol. 257] T. P. WADSWORTH resumed the stand and testified further as follows:

Cross examination.

By Mr. Farrell:

Q. Mr. Wadsworth, directing your attention to what has been marked for identification as your Exhibit No. 1, you show south of Wishram a red line between Bend and Wishram, marked Spokane-Portland and Seattle Railway.

Isn't that the Oregon Trunk Railway Company which extends from Bend to Wishram?

[fol. 258] A. That is true but, of course, the Oregon Trunk is owned by the SP&S.

Q. That is right, but to the extent that the Oregon Trunk participates in rates, it takes a division, it is a separate railway corporation, is it not?

A. Participates in what rates?

Q. I say to the extent that it participates in rates, when and if it does, in other words it is a separate railway corporation which is wholly owned by the Spokane, Portland & Seattle Railway Company.

A. If you say it is, I will take your word for it.

Q. But wasn't that the testimony of some of your own witnesses yesterday?

A. What witnesses?

Q. I refer to the testimony of Witness Mr. Grant Allen who stated for the record that the Oregon Trunk Railway Company extended from Bend to Wishram.

A. Are you trying to cross-examine me on Mr. Allen's testimony?

Q. No, I am not, Mr. Wadsworth. I am simply trying to keep the record straight.

Now, what is your position? Is that the Oregon Trunk Railway or the Spokane, Portland & Seattle Railway Company?

A. (No response.)

Q. I don't mean to confuse you.

A. I thought I answered the question. I said I agreed with you.

[fol. 259] Q. All right. Fine.

A. Fine. That it was the Oregon Trunk.

Q. Now, you also show Richland, Washington on the Northern Pacific about four or five stations west of Pasco. Is it not true that Richland, Washington is located on a short piece of track extending out from Kennewick about 14 miles?

A. I think that is correct.

Q. Now, does not the Northern Pacific extend from Pasco to Riparia?

A. I explained in my testimony that the purpose of this map was to bring or provide a general picture of the situation, and I said that in my testimony, that it had not been drawn to scale, and it was not intended to be absolutely correct in all respects.

Q. Yes.

A. The purpose of it was merely to give the Examiner a picture of the geographical location of the rail lines, a general picture.

Q. Well, you are willing to concede then, Mr. Wadsworth, there are a number of inaccuracies in this map?

A. I certainly am.

Q. And you prefer that we not deal with those?

A. I will take your word for it.

Q. All right. Now, in your prepared statement, the last paragraph on page 4, you refer to through joint class and commodity rates, via Bieber to points in Oregon, Washing-

[fol. 260] ton and Idaho on the Great Northern, and its

shortline connections other than Northern Pacific and Union Pacific.

Is it not a fact that there is also a line of class rates via Bieber and stations on the Western Pacific with the stations on the Northern Pacific, and that to stations Easton, Washington and east, that those rates embrace the lines of the Northern Pacific, the SP&S and the Oregon Trunk, and thence Great Northern and Western Pacific, and that if it is to points Easton, Washington and west, it embraces the Northern Pacific, SP&S and Oregon Trunk, Great Northern and Western Pacific?

Is not that a fact?

A. I don't understand the question.

Mr. Farrell: Would you read the question, please?

Exam. Wright: The reporter will read the question.

(Question read.)

The Witness: Well, Mr. Farrell, I would like to be as helpful as I can, and I will say this. I know that we have some class rates from Northern Pacific points. Whether you have correctly described the area or not, I will have to rely upon your integrity and accept your word.

By Mr. Farrell:

Q. Thank you.

A. I know there are such class rates, but they have very limited application as far as California points on the complainants are concerned.

[fol. 261] Q. Then you don't know what stations they embrace in California nor what stations they embrace in California nor what stations they embrace on the Northern Pacific in the territory covered by this complaint, is that correct, at the present time?

A. I don't have that information.

Q. And these rates that we are discussing are via the Bieber Gateway?

A. It is my understanding that there are a few class rates from Northern points.

Q. Now, to the extent then that you did not consider this, your Exhibit 3, Table 4, does not show all the routes on the rate application, isn't that correct?

A. (No response.)

Q. Wouldn't that also follow?

A. Well, sure, that is right.

Q. Now, directing your attention to your Table 6, your Exhibit 3, this exhibit shows stations that are served jointly by the Great Northern and either the Northern Pacific or the Union Pacific.

A. Yes.

Q. And it is your statement that none of these have interchange facilities, isn't that correct?

A. That is my statement.

Q. And the stations that are on joint trackage you have placed an asterisk on them, is that right?

[fol. 262] A. Right.

Q. Now, what is the distinction, so far as rate application between the stations then which are prefaced with an asterisk and those which are not?

A. (No response.)

Q. So far as an industry located at those points?

A. There is no distinction. There is no difference.

Q. Well, let's take the first one. You have an asterisk on Castle Rock, Washington. Now, an industry located at Castle Rock, Washington, would have rates available via the Great Northern on the Bieber Gateway, a full line of joint through rates, isn't that correct?

A. That is right.

Q. And all the industries there would be served by the Great Northern, because it is on joint track, isn't that correct?

A. I couldn't say that that is true.

Q. Well, what is the significance? And I will go back to my other question, what is the significance of the asterisk, "Located on joint tracks"?

What do you mean if that isn't what you mean?

A. The explanation of the asterisk seems to be self-explanatory, so far as I am concerned. I mean, "located on joint tracks," and not located upon other than joint track.

Q. Doesn't this mean, Mr. Wadsworth that at Castle Rock, Washington, that any industry at Castle Rock, Wash-
[fol. 263] ington, would be local to the Great Northern Railroad?

A. Not necessarily.

Q. What precisely does it mean?

A. I said it was self-explanatory. The asterisk designates the points which are located on joint track.

Q. Oh, I can read that, too, but I say, what does that mean to you?

A. (No response.)

Q. Does that mean that if I am an industry located at Castle Rock that I may or may not have to pay a switching charge to send my shipments over the Great Northern Railroad via the Bieber Gateway?

A. You are asking me to assume that every track at Castle Rock is a joint track, and I don't believe that is true. Some of the tracks there are operated by one railroad, for example, not necessarily a joint proposition all the way through.

Q. But, in other words, when you lifted—who prepared this statement?

A. I did.

Q. When you put an asterisk there as located on joint trackage, did you mean that two or more carriers reached the town over joint trackage? Was that what you meant?

A. No, the town is sitting on a joint track, if that is any clearer to you.

[fol. 264] Q. And it is now your testimony that you don't know what industries, if any, at any of these points which you place an asterisk at, are located on the joint trackage and what industries, if any, are located on separate trackage of one or more of the other railway companies, is that correct?

A. That was not the purpose of this table.

Q. What was the purpose of this table?

A. I hate to be repetitious, but it seems to be necessary. The table explains that there are certain stations which are served in common by the three railroads listed, but without facilities to interchange freight.

Now, if your point is this, that there are facilities at Castle Rock to interchange freight between all three railroads, that fact cannot be developed from tariffs on file with the Commission, and that is the reason why I seem to be taking a rather stubborn attitude here.

I am drawing the line between stations that have interchange facilities and stations that do not have interchange facilities on that criteria.

A station that has an interchange facility with another is published in a tariff somewhere. Now, nowhere is there a tariff which provides that at Castle Rock the Great Northern interchanges freight with the Northern Pacific.

Q. Well, let's take these one at a time. Let's take entering Washington for a moment.

[fol. 265] Now, do you mean to show by this table on which you show no interchange facilities that there would be industries located on the Northern Pacific that, if they routed their traffic via the Great Northern, via the Bieber Gateway, that they might have to pay a switching charge in addition to the line-haul charge? Is that what you mean?

A. Well, you picked out an unfortunate example here. I found out since I prepared this statement, in fact I found out yesterday, that Adrian should not have been shown on Table 6. I should have eliminated—

Q. In fact, you show Adrian in your Exhibit No. 7 as an interchange point?

A. That is right. One of those things that happens in the preparation of exhibits.

Exam. Wright: Do you wish to strike Adrian from Table 6?

The Witness: I would like to, Mr. Examiner.

Exam. Wright: It will be stricken; that is, from Table 6 of Exhibit No. 3 for identification.

By Mr. Farrell:

Q. Well, now, maybe we can clear it up this way.

I direct your attention to page 10 of your prepared statement, the third from the last paragraph in which you state, and I quote:

"Combinations of line-haul rates now apply on shipments between exclusive points on complainants in Table 10 of [fol. 266] Exhibit 3, and exclusive points on Northern Pacific or Union Pacific in Table 6 of Exhibit 3."

Let us take Argo for a moment. Do you mean there the combination rates would apply to certain industries at Argo if they routed their traffic Great Northern via the inside gateway?

A. No.

Q. What do you mean?

A. What page of my statement were you referring to?

Mr. Hobbs: 10.

By Mr. Farrell:

Q. From page 10, and the last paragraph.

I appreciate you have done a great deal of work, Mr. Wadsworth, and I don't mean to cast any aspersions on it, but I simply want to understand what you have done.

A. It is difficult for me to say the same thing over in different words.

Q. I don't ask you to repeat yourself.

Do you mean this, that industries at Argo, Washington, may have to pay a combination rate to send the traffic out over the Great Northern via Bieber with your railroad?

A. No, no. The shipment starts out at Argo, Washington on the Union Pacific. Now, there is no way for that shipment to be switched from the Union Pacific tracks to the Great Northern at Argo since there are no interchange facilities at that point.

[fol. 267] Now, if a shipment were made, were started out from Argo on the Western Pacific and consigned to a point involving a movement via Bieber, combination rates would

have to apply because there isn't anything else to apply on it.

Q. A combination rate of the through-Great Northern rate, plus what?

A. The rate from, the Bieber rate from Argo to the lowest rated point where there was an interchange between the Union Pacific and the Great Northern, or it might be the rate from Argo down to the closest point in California that was nearest to the destination of the complainant.

Q. In other words, it might be a through line haul rate, plus a switch charge, or it might be a combination of separate line-haul rates, is that correct?

A. Well, if it was shipped via Bieber, it would have to be assessed a combination. If it started out at Argo on the Western Pacific, it would never be anything else.

Q. All right. I think now we understand each other.

Now, if the industry on the other hand was located on joint trackage of the Great Northern-Northern Pacific and Union Pacific, if it were in fact located on joint traffic, then would not the through line-haul rate apply via the Great Northern with the joint through rate with you?

A. I have already answered this question two or three times.

Q. I say if the industry is on joint trackage.

[fol. 268] A. Well, if the industry were located on joint trackage—

Q. Would you answer yes or no?

A. The answer would be yes, of course.

Q. All right. Now, our tariff investigation discloses that Argo, Washington is located in the Seattle switching limits, and your Exhibits Nos. 6 and 7, in which you show interchange points, lists Seattle.

Can you explain that for me?

Mr. Treanor: You mean can he explain your information or what he has testified to?

The Witness: Well, I can explain I think what you are getting at.

Mr. Burkett: He doesn't need your help.

A. The mere fact that a shipment may originate at a station which is a substation of another doesn't necessarily mean that—

Mr. Burkett: He is doing fine.

A. (Continuing) —the lowest charge applicable would be a combination of switching and line-haul rates.

Now, it is very conceivable that a shipment could originate at Argo at a team track, and there on the Western Pacific, and in such a case it could not be switched to the Great Northern at Seattle. There would be an extra charge which the Great Northern could not absorb.

By Mr. Farrell:

Q. What would that charge be, a switching charge?

[fol. 269] A. I don't know what it would be.

Q. Do you suggest it might be a local charge, Mr. Wadsworth?

A. It could be an extra charge.

Q. But wouldn't it be a switching charge?

A. By the Union Pacific.

Q. But wouldn't that be a switching charge if it is within the Seattle district switching limits?

A. Not necessarily because, as I point out, for movements within the switching limits, you don't always charge switching rates.

Q. Now, if it isn't a switching rate, what would it be, then, a local charge within the station limits of a single station?

A. There would have to be a charge applicable to it.

Q. But what would that charge be? What would you call that charge?

A. I would call it the lowest line-haul charge.

Q. In other words, you would call it a local line-haul charge applying within the single switching limits of a single station, is that correct?

A. It would be the lowest line-haul charge from Seattle, from Argo to some point beyond Seattle.

Where there is no switching rate applicable, such as from a team track to an interchange track, the only charge that you can use is a line-haul charge.

[fol. 270] Q. Am I to understand that your railroad publishes line haul charges that apply within the limits of a single station?

A. We publish line haul charges which on occasion are applicable to shipments moving within switching limits, and they are applicable in such circumstances for the reason that there is nothing else to apply.

Q. But if my information is correct that Argo, Washington, is within the Seattle, Washington switching distance, then Argo, Washington, should not be included in your Table 6, isn't that correct?

A. No, it is not correct.

Q. Well, what is the fact then?

A. As I testified, I said that Argo is a station served by the Great Northern-Northern Pacific and Union Pacific without interchange facilities.

Q. Do you agree, Mr. Wadsworth, that an interchange point exists at Seattle between the railroads which we are here concerned with, namely, the Great Northern, Union Pacific, Northern Pacific, and for that reason you show it in your Exhibits Nos. 6 and 7?

A. That is right.

Q. But it is also your position that even if Argo is within the station switching limits of Seattle, Washington, that there is no interchange point, is that correct?

A. That is correct, yes. There will be shipments that [fol. 271] could not be switched from the Union Pacific location to the Great Northern interchange.

Q. Now, my investigation discloses that Auburn, Washington, is on joint trackage with the Great Northern and Northern Pacific, and the map, official railroad map of the state of Washington also shows that to be a fact.

Mr. Treanor: What map is that, Mr. Farrell?

By Mr. Farrell:

Q. And I will now ask you, Mr. Wadsworth, what the source of your information on the point we have under discussion—

Mr. Treanor: When you say official railroad map, you mean this map that has, "Northern Pacific Railway," in the righthand corner?

Mr. Farrell: That is right.

Mr. Treanor: Is that what you call official?

Mr. Farrell: That is what I call official, for the purpose of my cross-examination.

The Witness: I indicated certain stations in Table 6 with an asterisk as being located on joint track, and I selected the stations between Portland and Seattle that are on the joint track between those points.

Undoubtedly there could be other sections of joint track. I testified as to that area with which I knew to be a fact. If you know that there are other joint trackage arrangements, as far as I am concerned you can testify to that effect.

[fol. 272] By Mr. Farrell:

Q. Well, what is the source of your information with respect to Auburn? You state in your Table 6 they are not on joint trackage.

Auburn is between Portland, Seattle. My investigation shows it to be on joint trackage, and I ask you, what is the source of your information?

A. If you will tell me that Auburn is on joint track, I will accept your word for it.

Q. All right. If I went down the exhibit and took Bucoda, that is on the joint track of all three lines. Would you also accept my word for that?

A. Well, where is Bucoda?

Mr. Burkett: Well, it is on his exhibit.

By Mr. Farrell:

Q. Bucoda, I will point it out on the map if you want. It is on the map in front of you.

A. If you would.

Mr. Treanor: May I indicate for the record at this time, so that both you and Mr. Wadsworth understand what you mean by joint track, you may but I am not sure that you do.

I think it would help the record, Mr. Examiner, if we would have him testify what he means by joint track, and just be sure that that is what Mr. Farrell also means.

Mr. Farrell: I thought Mr. Wadsworth objected to that on the grounds that I thought or he thought I was being repetitious, but I would be happy to have him testify.

[fol. 273] The Witness: I testified I will accept your word.

Mr. Treanor: I mean, what do you mean when you refer to "joint track"?

The Witness: A little while ago I answered the question by saying that the joint trackage on which I had located these points were the tracks extending between Portland and Seattle.

Now, if I have omitted certain stations, and you say those stations are on that track, that is your privilege.

By Mr. Farrell:

Q. And you will accept my statement, Mr. Wadsworth?

A. I certainly will.

Q. And you will accept it then with respect to Bucoda?

A. Right.

Q. Now, my information also disclosed that Christopher is located on joint trackage.

Would you also agree to that?

A. Yes, sir.

Q. And that Hillcrest—

Mr. Hobbs: Hillhurst.

By Mr. Farrell:

Q. Hillhurst, I beg your pardon—Hillhurst is also on joint trackage. Will you accept that?

A. If you want me to adopt your testimony to that effect, I will do it.

Q. I just want the record straight here.

A. Okay.

[fol. 274] Q. And that Kent is located on joint trackage of the Northern Pacific and Great Northern?

A. Okay, I will take your word.

Q. And that Lakeview is on Northern Pacific and Great Northern trackage?

A. All right.

Q. Will you accept that?

A. Right.

Q. And the same thing is also true with respect to Lowell, McChord Field, Meeker, Mobase, Puyallup, and Rainier is on the joint track of Great Northern and Union Pacific, joint trackage, and that Reservation and Rhodes and Roy, as well as Sumner, Thomas, Wabash, Wetico and Yelm, are also located on joint trackage.

Would you also accept those stations?

A. If you testify to that effect and wanted me to adopt your testimony I would take it.

Q. And that, therefore, on that basis, these other points which we have just mentioned should also have an asterisk in addition to those on which you placed an asterisk when you introduced it yesterday, is that not correct?

A. That would seem to logically follow.

Q. Now, turning to your Table 7, your No. 1 in the first part of No. 1, the joint through rates would apply and the Great Northern would absorb the switch, and that is what you state, isn't it?

[fol. 275] A. If that is what I said—

Q. Yes. And that is because the traffic is what is termed competitive traffic, is it not?

A. Right.

Q. And in the second part of the—that is, "Yes," isn't it?

A. Yes.

Mr. Farrell: And you have it, Mr. Reporter?

The Reporter: Yes, sir.

By Mr. Farrell:

Q. And the second part also under 1, there the Great Northern does not absorb the switch on so-called non-competitive traffic?

A. That is right.

Q. And the Western Pacific also follows that same practice?

A. That is right.

Q. And so does the Southern Pacific?

A. To a certain extent.

Q. Now, whether the railroad will or will not absorb the switch absent an order of the Interstate Commerce Commission is within their discretion, is it not?

A. Yes.

Q. Now, with respect to 2 on your Table 6—

Mr. Hobbs: 7.

Exam. Wright: Table 7.

By Mr. Farrell:

Q. —Table 7, now, if those industries are located on [fol. 276] common trackage or on joint trackage, that industry then would be located on trackage of the Great Northern, and if that were true then there would be through rates available via Bieber to the extent that Great Northern joins in its through rates, would it not?

A. On shipments that were routed out via the Great Northern, but the minute a shipment was routed out via Northern Pacific, the shipper would get stuck.

Q. But if the shipper desires to route it by the Great Northern, he would have a through route via Bieber, would he not, and if he routed Northern Pacific he would have a

through route via Portland and the Southern Pacific, would he not?

A. (No response.)

Q. Doesn't that follow?

A. Right.

Q. And so to the extent that those industries are located on joint trackage, the same thing would be true with respect to them that is true in the case of your No. 1 referred to right above.

A. With the qualification that I gave you, that the minute a shipment was tendered—

Q. I appreciate your qualification.

A. —by the Northern Pacific there would be no through rate, and the shipper in California may send up a northbound shipment and not know what the situation is and specify a Northern Pacific routing to a point in this Table 6, and he would get stuck.

[fol. 277] Q. And in that case I assume the Western Pacific solicitation forces would advise him to route that shipment Great Northern, would they not?

A. It could be that the shipper would exercise his right and route the shipment in accordance with his own wishes.

Q. Now, again, on your Table 7, and No. 3, you say between all points on Northern Pacific and Union Pacific, such as shown on Table 9, and in turning to Table 9 I do not find any point on Northern Pacific or Union Pacific.

What do you mean?

A. Table 12.

Mr. Burkett: I didn't hear the answer.

(Record read.)

The Witness: Table 12.

By Mr. Farrell:

Q. So we should strike Table 9 and substitute Table 12, should we?

A. Just a minute.

It should be Table 12.

Exam. Wright: You wish to make that correction?

The Witness: I would like to.

Exam. Wright: Table 7 of Exhibit 3 in the third section will be changed to read, "Table 12," instead of "Table 9."

By Mr. Farrell:

Q. Now, turning, then, to Table 12, I find that you have listed Bellevue as a station local to the Northern Pacific, [fol. 278] and therefore you assert that rates would not be available via the Bieber Gateway.

Isn't Bellevue, so far as the Great Northern is concerned, within the station limits of Seattle, Washington?

A. The answer to your question I think is in my testimony on page 14, the last paragraph.

Q. In other words, that could be routed Great Northern and the Great Northern would have absorbed the switching charge of the Northern Pacific?

A. I think that is true with respect to certain locations at Bellevue. I do not know whether it is true as to all points at that station or not.

Q. And that, therefore, rather than fall in Category 3 on Table 7, as you show it at the present time, it should be up in Category 1, namely, Northern Pacific and Union Pacific points common with Great Northern, and having interchange with Great Northern, as per Table 5.

A. If a shipment were made from San Francisco to Bellevue, routed via Bieber, to Portland, along Northern Pacific, then the combination rates would apply. There is no through rate. A shipment could be made from San Francisco to Bellevue routed Southern Pacific to Portland, and Northern Pacific, and that is what we are after.

Q. But you say Table 7, category 3, that the only routes available between those points now—we are not talking [fol. 279] about rates—between both points, and we have to turn to your Table 12, and your local points are combination rates via Bieber, and so far as Bellevue is concerned haven't we established; and you say at page 14 of your prepared statement that through routes are available via

Bieber and, therefore, Bellevue should fall back in Category No. 1, not Category No. 3.

A. It is still a combination of rates, Mr. Farrell.

Q. So far as a shipper is concerned, the shipper pays a single through charge, does he not?

A. (No response.)

Q. If you had the relief which you seek here, would the rate to that shipper be any lower?

A. It would be—there would be times when it would be quite a lot lower, sure. When he chose to route the shipment into Bellevue over the Northern Pacific, he had a through rate and a through route via Bieber.

It would cost him considerably less than if he chose to route the shipment into Bellevue now with a line haul via the Northern Pacific.

Q. Your Category 1, Mr. Wadsworth, at Table 7, you say Northern Pacific or Union Pacific points common with Great Northern and having interchange with Great Northern, per Table 5.

Now, that is Bellevue, Washington, is it not?

A. I couldn't find anywhere where the Northern Pacific [fol. 280] or the Great Northern published an interchange at Bellevue in the tariff filed with the Commission.

Q. So is it your testimony then that Bellevue is a local station on the Northern Pacific, and that there is no way a shipment can be routed out of Bellevue via the Great Northern Railroad? Is that your testimony?

A. Well, I just call your attention to my testimony on page 14.

Q. I am aware of that.

A. Why should I contradict myself now, then?

Q. I just suggested—well, strike that.

Now, with respect to Bremerton, Washington, your Table 12 you have that down in No. 3. Aren't you aware of the car-ferry service so that shipments from Bremerton could be routed via Bieber and, therefore, that would be back in Category 1 of Table 7 and not Category 3?

A. I am testifying that when shipments are routed into Bremerton via the Northern Pacific, combination rates ap-

ply. I am not testifying about any routing using a car ferry.

Q. And that is your testimony with respect to both these stations we have just discussed?

A. You are talking about Bremerton, aren't you?

Q. Yes, sir.

A. There is no car ferry at Bellevue, that I know of.

Q. Now, doesn't the Milwaukee participate in rates via Bieber?

[fol. 281] A. To some places.

Q. In the case of Ellensburg and Hoquiam on your Table 12, you show that as served by your Milwaukee road, don't you?

A. Yes.

Q. Wouldn't through routes, through charges be available over the Milwaukee via the Bieber Gateway?

A. I think I so testified.

Q. But you have down in Category 3, do you not, combination rates apply rather than Category 1?

A. Again I will have to say for your benefit apparently that if a shipment were routed into Bremerton via the Northern Pacific there would be nothing but a combination, or into Ellensburg via Northern Pacific there would be nothing but a combination via Bieber.

Q. Well, Mr. Wadsworth, then on that basis we should have no Category 1, isn't that true?

A. (No response.)

Q. In other words, so far as you are concerned, to none of these points then are the through rates. Why do you have the Category 1, then?

A. You mean Category 1—

Q. Category 1 in Table 7, your category—

Mr. Treanor: You mean Table 7, Mr. Farrell?

Mr. Farrell: Table 7.

The Witness: I am sorry, I don't understand your question.

[fol. 282] Mr. Farrell: Read my question.

Exam. Wright: The reporter will read the question.

(Question read.)

Mr. Treanor: Well, for clarification do you mean he is talking about the through rates with you fellows, and Union Pacific to Category 1?

Let us make sure we are talking about the through rates to the Great Northern to these points, or to the Northern Pacific with Union Pacific.

Mr. Farrell: For the record, just so we understand it, Category 1 of Table 7 lists points, does it not, Mr. Wadsworth, Northern Pacific or Union Pacific points in common with the Great Northern, and having interchange.

By Mr. Farrell:

Q. You are assuming there that shipments would be routed via the Great Northern, and there would be through routes via Bieber, plus a switching charge of the Union Pacific and Northern Pacific which, in the case of competitive traffic—

A. No, I am not.

Q. —which in the case of competitive traffic the Great Northern would absorb; in the case of non-competitive traffic the Great Northern would not absorb, but you are assuming in all cases the Great Northern would get the line haul in setting up Category 1, are you not?

A. Yes, sure.

[fol. 283] Q. The answer is—

Exam. Wright: Yes.

The Witness: Yes.

* * * * * * *

[fol. 284] By Mr. Farrell:

Q. Well, now, Mr. Wadsworth, to the extent that there are stations listed on Table 12 of your Exhibit 3 that are served by the Great Northern Railroad, those points should

actually be included in Category 1 of your Table 7, isn't that correct?

The Witness: Can I have that question again, please?

Exam. Wright: The reporter will read the question.

(Question read.)

A. There aren't any stations on Table 12 that are served by the Great Northern.

By Mr. Farrell:

Q. Your testimony is that if there are, they should be in Category 1 of Table 7, but there are no such stations, is that correct?

A. (No response.)

Q. Is that your testimony?

Mr. Treanor: I believe, Mr. Examiner, that his testimony was flatly, there are no such stations.

Exam. Wright: That is right.

[fol. 285] Mr. Farrell: May I have an answer to my question, Mr. Examiner? I think my question is perfect.

Exam. Wright: Would you read the question, Mr. Reporter?

Mr. Farrell: Would you read my question, Mr. Reporter?

(Question read.)

By Mr. Farrell:

Q. Do you understand what I have said, Mr. Wadsworth?

A. No, I didn't understand the question.

Q. I said if there are listed in Table 12 stations which are served by the Great Northern Railroad, then those points would be included in Category 1 of Table 7, not Category 3. You agree with that, do you?

A. No.

Exam. Wright: He answered the question.

Mr. Hobbs: He answered it, "No."

By Mr. Farrell:

Q. Mr. Wadsworth, in Category 1 of Table 7 you list the points that are served by the Great Northern Railroad which have rates via Bieber to points on your railroad, is that not correct?

A. Right.

Q. And in Category 3 you include other points on the Northern Pacific and Union Pacific that are not served or reached by the Great Northern Railroad, is that correct?

A. Right.

Q. Now, the difference between 1 and 3 is that 1, that [fol. 286] point is served by the Great Northern Railroad, 3, it is not, isn't that correct?

A. That is right.

Q. So that if there are included in Table 12 stations which are reached and served by the Great Northern Railroad, then they should be in Category 1, not Category 3, I say, if there are.

A. It is like asking me the question, "If black is white, why, you could write on it."

Q. We may establish that, too, before we are through, Mr. Wadsworth.

Mr. Treanor: Do you want to bet?

Mr. Farrell: May I have an answer to my question?

The Witness: The only answer I can make to your question is, no.

By Mr. Farrell:

Q. The only answer you could make to my question is, no?

A. Because there aren't any stations on Table 12 that are on the Great Northern.

Q. Is it your testimony, Mr. Wadsworth, that the Great Northern Railroad, that industries located at Bellevue, Washington, cannot route shipments out over the Great Northern Railroad in line haul service to be routed in

through rates via Bieber? Is that your testimony, that this cannot be done?

A. That is not my testimony.

Q. A shipper can route a shipment out of Bellevue in [fol. 287] line haul service by the Great Northern Railroad in line haul service, can he not?

A. He would have to route the shipment, he would have to offer the shipment to Northern Pacific first because Northern Pacific serves Bellevue.

Q. Is it your testimony that the shipper located at Bellevue, Washington, cannot route a shipment out over the Great Northern Railroad in connection with the Bieber Gateway, is that your testimony?

A. For the second time, the answer is no.

Q. Just so we understand one another, a shipper located at Bellevue can send his cars out routed line haul service via the Great Northern routed via Bieber through rates, through charges, with the Great Northern Railroad. That is correct, isn't it?

A. He is to offer that shipment to the Northern Pacific first.

Q. What do you mean, he has to offer it to the Northern Pacific first?

A. Because Bellevue is on the Northern Pacific.

Q. But Bellevue is also served by the Great Northern Railway under the line haul rates, and they absorb the switching charge of the Northern Pacific, do they not?

A. To an extremely limited extent.

Q. Name a shipment on which the Great Northern Railway would not absorb the switching charge of the Northern [fol. 288] Pacific, a shipment consigned to or originating at Bellevue, Washington, and routed in connection with your line via the Bieber Gateway, if such there be.

(Short pause.)

A. I can answer the question now.

Exam. Wright: You may answer.

The Witness: The Great Northern absorption of Northern Pacific's switching charge is published in a tariff of the Great Northern Railway. It covers the situations on which, which are subject to those absorptions.

Now, any situations not named would not be covered, of course.

By Mr. Farrell:

Q. There are a number of places named where it is absorbed, where the Great Northern absorbs the switching charge, and there are also other points where they would not, is that correct?

A. The tariff speaks for itself. You have the tariff, I assume.

Mr. Treanor: For clarification, Mr. Wadsworth, is that the tariff you refer to on page 14 of your prepared statement?

The Witness: Yes.

By Mr. Farrell:

Q. Now, in connection with Bremerton on Table 12, cannot a shipment be routed out of Bremerton via the Great Northern Railroad?

A. No.

Q. If that shipment was routed via the Great Northern [fol. 289] Railroad, the Bieber Gateway, what rates would apply?

A. I said the shipment could not be routed out of Bremerton via Great Northern since the Great Northern does not serve Bremerton, so the rest of your question has no meaning whatsoever.

Q. You are not familiar with the car-ferry service into Bremerton?

A. The Great Northern does not operate that car-ferry service as a part of the Great Northern.

Q. And it is your testimony then that there are not

through rates applying then to Bremerton via the Great Northern in connection with this car-ferry service?

A. My testimony is there are not any rates through Bremerton via the Northern Pacific.

Q. I spoke of the Great Northern Railway, Mr. Wadsworth, and is it your testimony now that through rates do not apply from Bremerton via the car-ferry, via the Great Northern Railway, via the Gateway; is that your testimony?

A. I can tell you this, that the Great Northern has rates via Bieber from Bremerton operating in connection with an independent barge line, and receipt of freight at Bremerton over such a route is by the barge line, and certainly not by the Great Northern.

Q. Do through routes, through rates apply?

A. Certainly.

[fol. 290] Q. And that applies for routing via the Bieber Gateway?

A. Yes.

Exam. Wright: The answer was yes.

By Mr. Farrell:

Q. And that the—that would also apply in connection with Renton, Pacific Coast Railroad?

A. No, Renton is not served by a barge line.

Q. Renton is served by the Pacific Coast Gateway, is it not, Mr. Wadsworth?

A. Yes, sir.

Q. And isn't the Pacific Coast Railroad the owner of the Great Northern Pacific, the Short Line connection?

A. I don't know.

Q. You don't know?

A. (No response.)

Q. You don't know whether it has a short line connection with the Great Northern?

A. It has a short line connection, of course.

Q. You don't know who owns it?

A. No, sir.

Q. Now, turning to your Exhibit No. 9, page 1, the first line under Column 5, miles, 1161, that is not the mileage via the route sought in this complaint, is it, Mr. Wadsworth?

A. That is true.

Q. This is the mileage via the rate making mileage over Moscow, Idaho, is it not?

[fol. 291] A. Right.

Q. And if I asked you the same question with respect to Line 14, the figure 997, the answer would be the same?

A. That is true.

Q. And if we asked a great number of questions going through the entire exhibit dealing with that particular aspect and phase thereof, the answer would be the same?

A. The question is too indefinite.

Q. Mr. Wadsworth—

A. I can't answer it.

Q. Mr. Wadsworth, where you have shown the mileage and the route using the mileage—strike mileage—showing the route in connection with the Western Pacific, and you arrive at mileages which are substantially shorter than those in connection with the Southern Pacific, is it not a fact that at all points through this entire Exhibit No. 9 that those mileages are the mileages which you have used for rate-making purposes, and not the mileage which represents the actual route of movement over the routes here sought in this complaint?

A. Would you be more specific?

Mr. Farrell: Would you read the question back, Mr. Reporter?

Exam. Wright: The reporter will read the question back.

(Question read.)

Exam. Wright: I think it is clear.

Mr. Farrell: Thank you, Mr. Examiner.

[fol. 292] The Witness: I think there is an error in the first part of the question, if I understand it correctly.

You asked me where the distances over the route of the Western Pacific are shorter than over the Southern Pacific.

I don't think you mean that, and that is what is throwing me now.

By Mr. Farrell:

Q. Let us try it again.

On your Exhibit No. 9, which consists of some 44 pages, you have shown mileages in connection with the roads involved in this proceeding, showing mileages via the Western Pacific, and also mileages via the Southern Pacific, and where you have shown two mileages in connection with the same route embracing the Western Pacific, one of which is in all cases substantially shorter than the other, that shorter mileage is the mileage used to compute the route.

Mr. Hobbs: Rate.

By Mr. Farrell:

Q. Compute the rate, and does not represent the mileage over the route sought in this complaint.

A. The rates here involved were not computed on mileages. Your question presupposes that the rates were based on mileages. Well, that is not a fact. The rates were obtained without regard to the distance. The distance has no determination in whether the rate is 95½ or a dollar nine. These are not mileage rates.

Q. Now, that is your answer to my question, Mr. Wadsworth?

[fol. 293] A. The way I understand the question.

Q. In connection with your Exhibit 9, page 1, line 1, the mileage of 1161, over what route is that mileage computed?

A. It is my understanding that that is computed as follows—

Q. Did you prepare this exhibit, Mr. Wadsworth?

A. It was prepared under my supervision.

Q. All right.

A. It is my understanding that this—

Exam. Wright: Keep your voice up.

A. (Continuing) —Northern Pacific from Johnson, Washington to Moscow, Idaho, Great Northern from Moscow, Idaho to Beiber, Western Pacific to Oakland.

By Mr. Farrell:

Q. That is not Great Northern via Portland, then, is it?

A. No.

Q. That would be Great Northern via Wishram, would it not?

A. It is Great Northern. It is the distance published by the Great Northern Railway.

Now, what the internal routing is on the Great Northern I can't tell you.

Q. Once the Great Northern takes that shipment at Moscow, Idaho, over what route did you compute that mileage in order to get to Bieber, California?

A. There was no computation necessary. I looked on the mileage table for the distance from Moscow to Bieber, and [fol. 294] there it was.

Q. But you don't know whether that is the mileage of the Great Northern Railroad from Moscow up around by Everett, Washington, and down to Vancouver, and from Vancouver back to Wishram, and Wishram to Bieber, or whether it is computed some other way, is that correct?

A. I took the distance that was published in the distance tariff.

Q. So is it your testimony, then, Mr. Wadsworth, in computing this mileage you have taken it from the distance tariff, and you do not know whether that mileage represents the mileage over which the shipments would route, over which the shipments would actually move if your company secured the relief which it seeks in this complaint?

A. Well, in the first place, Mr. Farrell, the route in line 1 on this page of the exhibit that you have been quizzing me about has no connection with the route that we are seeking in this case.

The route in line 1, as I explained to you, was Northern Pacific to Moscow, then Great Northern; whereas, in this case we are seeking rates Northern Pacific to Portland.

Q. All right. What about the next figure, then, 1491?

A. That is it.

Q. That is what?

A. That is the distance via Portland.

[fol. 295] Q. That is the distance via Portland?

A. Yes.

Q. And out of what mileage table did that come, from what point?

A. Well, from Johnson to Portland, out of the Northern Pacific table, from Portland to Bieber out of the Great Northern, from Bieber to Oakland, the distance was published in the Western Pacific's distance table.

Q. Is the same thing also true with respect to lines 14 and 15; in other words, the figures 997 and 1328?

A. If you mean that is the distance of 997 computed via Northern Pacific to Moscow, thence Great Northern, whereas the distance of 1328 is computed Northern Pacific to Portland, thence Great Northern, the answer is yes.

Q. In other words, to make a long story short, if this shipment were routed via the Great Northern Railroad, it would move 997 miles, is that correct?

A. No, because you can't route a shipment from Johnson to Sutter via the Great Northern, since Johnson is on the Northern Pacific.

Q. Well, he could route it, but a combination rate would apply over the point.

A. Right.

Q. That is correct, is it?

A. Right.

[fol. 296] Q. Now, turning to page 13 of your prepared statement, is Yuba City a local point on the Western Pacific?

A. No.

Q. What other railroad serves Yuba City?

A. Yuba City is located on the Sacramento Northern Railway and the Southern Pacific.

Q. And the Sacramento Northern is wholly owned by Western Pacific?

A. Right.

Q. Now, do interchange facilities exist between the two roads at that point?

A. No.

Q. Now, at page 18, the second full paragraph, you state that the Santa Fe, Great Northern and Western Pacific are working partners via the Bieber route. For how many years has that been true?

A. Since 1931.

Q. And for 30 years then have the three lines had a complete interchange of information and utilization of joint solicitation for traffic via those routes?

A. I don't know how long it has been in effect, but my testimony is to the effect that this is the situation at the present time.

Q. Well, in view of that situation, if my road, the Northern Pacific, had in joint rates with your road to Great [fol. 297] Northern common points, you would still be soliciting traffic via the Great Northern Railroad, would you not?

A. (No response.)

Q. Isn't that one of the economic facts of life about this case?

A. I don't understand the question.

Mr. Farrell: Read the question, Mr. Reporter.

Exam. Wright: Mr. Reporter, read the question.

Mr. Treanor: Mr. Examiner, I have no objection to this witness answering to the extent of his ability here, but we can get our chief solicitation man on to answer it, if he really wants the answer.

Mr. Farrell: That is a suggestion, and we will take it under advisement.

(Question read.)

Exam. Wright: If you know the answer.

The Witness: There is no other way that we could solicit because the only way we could get into a point on the Northern Pacific is over the Great Northern.

We have no other connection between, there is no other connection between the Western Pacific and the Northern Pacific but the Great Northern, and our solicitation efforts have to be with the Great Northern.

By Mr. Farrell:

Q. In other words, your company would still continue to work with the Great Northern, is that correct?

[fol. 298] A. What is the rest of the question?

Q. I said even if my company had, and in some cases my company does in some limited cases, does have joint rates to Great Northern common points, you would still continue to solicit and work with the Great Northern, would you not?

A. I don't know.

Q. You don't know?

A. (No response.)

Q. Turning to your Exhibit 3, Table 18, specifically the second shipment, soap, the fourth shipment celery, and the fifth shipment canned goods, all routed to Seattle, the Great Northern serves Seattle, does it not?

A. Yes, it does.

Q. So that shipment in those cases would not be routed Northern Pacific, would it?

A. But they were routed Northern Pacific.

Q. Let us take the first one. This shipment was routed San Jose to Stockton, is that right?

A. I assume that is correct.

Q. And then it is routed Great Northern to Seattle?

A. No.

Q. Well, Western Pacific—

Mr. Treanor: Well, let's not leave them out altogether, Frank.

(Laughter.)

[fol. 299] By Mr. Farrell:

Q. Then it is routed Western Pacific to Stockton, to Bieber, Great Northern-Seattle?

A. Right.

Q. And haven't we established at this point, and please correct me if I am wrong, and I am not being facetious, that Bellevue is within the station limits for purposes of the Great Northern at Seattle, and did this car not move into Seattle via the Great Northern Railroad?

A. As far as I recall, you have not established what you claim to have established physically, namely, that Bellevue is within the switching limits of Seattle.

Q. For purposes of the Great Northern Railroad?

A. We haven't established that, because it isn't true.

Q. What revenue if any on shipments 2, 4 and 5 did the Northern Pacific derive, if you know?

A. Well, I don't know. I have no way of telling.

Q. You have no way of knowing?

A. Right.

Q. You have no way of knowing that they derive simply a switch charge, and that that was absorbed by the Great Northern, is that correct?

A. It is my information, and I can check it, that there is no switch charge on furniture—no, the furniture is to Spokane. This switching charge that you speak of has an extremely limited application. It only applies on some com-

[fol. 300] modities and doesn't apply on others.

It only applies for certain locations in Bellevue, and doesn't apply at others.

Q. With respect to these three shipments, did you make any investigation to determine whether or not the Northern Pacific received a portion of the line haul revenue or local charge, or simply a fixed charge which was absorbed by the Great Northern?

A. No, sir, because that was not the purpose of this Table 18.

Q. Thank you.

A. That is all right.

Q. Now, with respect to the last shipment, newsprint, showing the route Western Pacific-Tacoma, Great Northern-Western Pacific, what have you to say with respect to that route?

A. That is a misprint. It should be Northern Pacific to Tacoma.

Exam. Wright: Which one is this?

In the last shipment on Table 18 the Western Pacific is changed to read Northern Pacific.

Mr. Pfrommer: That is the first "Western Pacific" in that?

Exam. Wright: The first "Western Pacific" yes. It will read, "Northern Pacific-Tacoma."

By Mr. Farrell:

Q. Now, page 29 of your prepared statement, you make reference to the rates, through rates via Bieber Gateway, published with the Northern Pacific and Union Pacific, from [fol. 301] Roseville and Decoto, California, from points involved within the scope of this complaint.

Those rates were established, as you say, without the necessity of a Commission order, isn't that correct?

A. That is correct.

Q. And since those rates were established, has there been a single car of automobiles that has moved, and is it not a further fact that the plant was never even located there?

A. The answer is yes, because it took so long to get these rates published that the need for them had faded out.

Q. When did the shipper first approach your company and request that you join in the publication of through rates via Bieber?

A. Are you talking about automobiles, or what are you talking about?

Q. I am talking about automobiles, yes, sir.

Mr. Treanor: You mean the potential shipment, isn't that right, Mr. Farrell, for clarification?

Mr. Farrell: I think he is perfectly clear on what I am talking about.

Mr. Treanor: I would like to be clear so that I understand your question, Mr. Examiner, so that if I want to make an objection I can make it.

Exam. Wright: I don't understand the question.

Mr. Farrell: I will withdraw the question.

By Mr. Farrell:

Q. This complaint was filed in July 1959. What automo-
[fol. 302] bile company was involved?

A. General Motors.

Q. What division of General Motors?

A. Chevrolet.

Q. When did they first request your company to secure for them a line of joint through rates via Bieber?

A. I don't know.

Q. You don't know that?

A. (No response.)

Q. Did they at any time or at any point enter into any industrial lease for the location of their plant on your road at these points?

A. I don't know.

Q. When were joint through rates published, when were they effected?

A. (No response.)

Mr. Farrell: I will withdraw that question. I see the answer.

By Mr. Farrell:

Q. I think it is clear, is it not, Mr. Wadsworth, that within less than three months after the complaint was filed by your company these rates were published, is that not correct?

A. I don't know.

Q. These rates, and I quote now from your own statement, "were initially published effective October 5, 1959."
[fol. 303] I will skip the rest of that sentence.

"The complaint was filed in July 1959."

A. (No response.)
Q. Isn't that a fact?
A. That is right. That is what I said on page 29.
Q. Turning to Table 5, of your Exhibit 3, isn't it true that at Vancouver, Washington, Chehalis, Washington, Centralia, Washington and Bend, Oregon, that all industries at those four stations are located on the Great Northern Railroad?
A. I didn't testify to that effect.

Mr. Farrell: May I have an answer to my question?
Exam. Wright: He is asking you.

By Mr. Farrell:

Q. I—
A. I don't know.
Q. I am asking now.

Exam. Wright: He says he doesn't know.

By Mr. Farrell:

Q. You don't know?
A. No.
Q. In other words, before determining whether or not it would be necessary to use an interchange at that point, you made no investigation to determine what industries if any were located upon the trackage of railroad which you presently have joint through rates with via Bieber, is that correct?
A. Yes.

Mr. Farrell: I have nothing further.
[fol. 304] Exam. Wright: Any further cross?
Mr. Burkett: Yes.
Exam. Wright: Mr. Burkett.

By Mr. Burkett:

Q. Would you please turn to your Exhibit No. 11.

Now, I note there that you give certain traffic figures for west of Transcontinental via Bieber. Would you please state the origins and destinations of the traffic there shown?

A. They are in the territory west of Transcontinental.

Q. Well, would that include a shipment originating in California and terminating in California?

A. No, sir, because that shipment couldn't—the answer is, no.

Q. Well, then, would you state, please, where the break point is? Why does it not include traffic which is originating and terminating in California?

A. I think there are rates published in connection with the Santa Fe, via Bieber, to points in California. There was no movement under those rates, so there would be nothing in this exhibit that would come into that category.

Q. When the Santa Fe furnished you these figures, did they furnish a breakdown of the states of origin and destination of the figures there shown?

A. The exhibit shows that, or my statement was to the effect that the statistics furnished by the Santa Fe were [fol. 305] confined to movements between California and Oregon and Washington. I believe I testified to that effect.

Q. All right. Now, I am talking about the figures shown on line 1 of your Exhibit No. 13. Were those figures limited to traffic moving between California on the one hand, and Oregon and Washington on the other hand?

A. Line 1, Column what?

Q. Your Exhibit No. 13.

A. Well, Column 2 of line 1 includes traffic moving between California and Oregon, Washington, Northern Idaho. It probably included some Montana.

Exam. Wright: Are you talking about Exhibit 11 or Exhibit 13?

Mr. Burkett: I have been asking my questions about Exhibit No. 13.

The Witness: You said Exhibit No. 11.

Exam. Wright: You started on No. 11.

Mr. Pfrommer: Which are you?

Mr. Burkett: Well, let's go back to Exhibit No. 11, then, please.

By Mr. Burkett:

Q. Now, would you please state the states covered by the figures shown on line 1 on Exhibit No. 11?

A. What figure?

Q. Pardon me?

A. What figure? I don't understand the question.

[fol. 306] Q. The figure of 16,501 cars via Bieber.

A. That is line 1, column 2?

Q. Yes, sir.

A. Traffic moving west of Transcontinental territory via Bieber?

Q. Yes, sir.

A. That is the answer.

Q. Does it include traffic, does the figure shown there include traffic moving to and from the Western portions of North Dakota and South Dakota?

A. No.

Q. Doesn't the Transcontinental Line to which you refer cut across the states of North Dakota and South Dakota?

A. I think this included only as far as Montana.

Q. Well, do you know, or do you think?

A. Yes, as far as Montana.

Q. All right. Well, now, how about Canada?

A. It contained some movement into British Columbia.

Q. How about movements to and from Arizona?

A. They were included.

Q. How about movements to or from Western New Mexico?

A. They were—they could have been included had there been any movements.

Q. Well, do you know whether there were any movements or not?

A. I can't testify that there were any movements from [fol. 307] New Mexico into this territory.

Q. Now, would you please state why it was you requested this material from the Santa Fe with respect to movements in all of western territory, west of transcontinental, rather than just the states which are in issue in this complaint?

A. As I recall, I did request the information of the Santa Fe as you speak of.

Q. From whom—to whom did you make the request in the Santa Fe?

A. Mr. Hudson's office.

Q. And then in what form did Mr. Hudson's office give you the material?

A. He gave me the information as to years, by years, by direction, northbound versus southbound. That was it.

Q. To whom in Mr. Hudson's office did you talk?

A. Pardon me?

Mr. Pfrommer: I think it ought to be made clear at this point as to what may have been occasioned by conversation between counsel and what may have taken place between the witness and somebody else.

Mr. Treanor and I have had discussion about that, and I think your question might be properly directed to either of us.

Mr. Burkett: Well, I can cross-examine this witness concerning figures he listed in his exhibit. I am trying to avoid cross-examining the person who does not have knowl-
[fol. 308] edge about these figures.

Mr. Treanor: Well, I haven't interrupted, but I made the request.

By Mr. Burkett:

Q. Well, Mr. Wadsworth, do you know anything about these figures at all?

A. I have certainly testified concerning them.

Q. I appreciate that, but where did you get these figures that you put in your exhibit?

A. I told you they were furnished to me by the Santa Fe.

Q. And who on the Santa Fe furnished you the figures?

A. I told you that they came to me from Mr. Hudson's office.

Q. On what day, about?

A. I don't know.

Q. Now, would you please state why it was—strike that, please.

Your original request covered from California on the one hand, and the states of Oregon and Washington on the other hand?

A. Those states were included in the area that we asked the information for, sure.

Q. The Santa Fe then gave you different information than the information you requested?

A. Right.

Q. Did the Santa Fe indicate to you that they did not have available the information you had requested for movements between California on the one hand, and Oregon and [fol. 309] Washington on the other hand?

A. Are you asking me?

Q. I am asking you, sir.

A. If the Santa Fe told me that they did not have information available concerning movements between California and Oregon and Washington?

Q. Yes, sir.

A. If your question is that—

Q. That is my question.

A. —they furnished the information as to those movements.

Q. But the only information they furnished you were figures which included these other states of Arizona, Montana and Canada?

A. No, the Santa Fe figures did not include those states. As I said in my testimony, Mr. Burkett, the Santa Fe's information or statistics covered the movements between California and Oregon and Washington.

Q. Well, now, in your own—the other figures you got from your own accounting department covered these west of transcontinental figures?

A. That is true.

Q. And why is it that you did not get from your own accounting department figures showing movements between California on the one hand, and Oregon and Washington on the other hand?

A. I didn't choose to. That was not the purpose of my exhibit.

[fol. 310] Q. Well, what was the purpose of your exhibit?

A. (No response.)

Q. I am talking about Exhibit No. 11 now.

A. I testified on page 17 of my statement concerning the purpose of Exhibit No. 11, page—

Mr. Farrell: 17.

The Witness: Page 16, I meant to say, commencing at the bottom line.

By Mr. Burkett:

Q. Well, was it the purpose of this exhibit to analyze the traffic which moves between the points in issue in this proceeding, between California on the one hand and Oregon and Washington on the other hand, or between all points in western Transcontinental territory?

A. The latter, as indicated by Exhibit 11.

Q. Inasmuch as this proceeding involves movements only between California on the one hand, and Oregon and Washington on the other hand, why did you put in this, choose to put in this exhibit figures showing all movements west of Transcontinental?

A. Because our statistics were not kept in the same manner as the Santa Fe's. They were not segregated.

Q. And you do not have available any studies which would indicate what your movements were via Bieber between California on the one hand, and Oregon and Washington on the other hand?

A. We had a witness yesterday who testified on that point.

Q. But in preparing your Exhibit No. 11, you did not [fol. 311] choose to use that material?

A. That is true.

Q. Now, if I asked you the same questions concerning the meaning of west of Transcontinental Territory via Bieber, shown on your Exhibit No. 12 and your Exhibit No. 13, would your answers be the same?

A. Yes, the words "west of Transcontinental," where used in Exhibit 13 or 12, means the same as it did in Exhibit 11.

Q. Well, in Exhibits Nos. 12 and 13, that would include, also, the states of Nevada and Utah, would it not?

A. Correct.

Q. And also the western part of Colorado?

A. All western Transcontinental traffic.

Q. Well, now, let's look at line 1 of your Exhibit No. 12 where you have 61,500—I beg your pardon—where you have a total movement shown there transcontinental of 61,521 cars. Would that include traffic which you might move from Salt Lake City via Bieber to Portland?

A. 61,521?

Q. Yes.

A. That would include cars that moved from Salt Lake City to Portland, via Bieber.

Q. Now, would that also include traffic which moved from California to Portland?

A. Yes.

[fol. 312] Q. Would it also include traffic which moved from Montana via Bieber?

A. True.

Q. Would it also include traffic which moved from Canada to California?

A. British Columbia to California, yes.

Q. Now, would you please turn to page 30 of your statement. You refer there to these rates on sugar from Clarksburg, California, to Walla Walla. Where did those rates provide for interchange between Sacramento Northern and Southern Pacific?

A. I believed they interchanged at Sacramento.

Mr. Burkett: That is all I have, thank you.
Exam. Wright: Any further cross-examination?
Mr. Hobbs: No.
Exam. Wright: Any redirect?
Mr. Treanor: There will be, very short, if I may have a two-minute recess, Mr. Examiner. I can shorten it considerably.
Exam. Wright: We will take a ten-minute recess.

(Short recess.)

Exam. Wright: Come to order, please.
Mr. Treanor?
Mr. Treanor: Yes, sir.

Redirect examination.

By Mr. Treanor:

Q. One of the questions I am going to ask on redirect has to do with part of Mr. Farrell's—

[fol. 313] Mr. Hobbs: Frank?
Mr. Farrell: Sorry, Mr. Examiner.

By Mr. Treanor:

Q. Mr. Wadsworth, direct your attention to your Exhibit 3 and Table No. 6 thereon, and particularly with respect to some of the questions directed to you by Mr. Farrell, having to do with whether or not a great number of these points should also be marked to show that they are located on joint track.

Now, I ask you whether they are on joint track or not, will it have any bearing whatever on your testimony that these are stations served by the shown lines without interchange facilities?

A. It will not change my testimony.

Q. Now, just for clarification, Mr. Wadsworth, during cross-examination by Mr. Burkett, he asked you, as I recall his questions, with regard to the figures that were

supplied to you by the Santa Fe Railroad, and I believe he inquired as to the territory covered by the Santa Fe figures. This may or may not be clear in the record. Would you please explain simply what territory exactly is covered by the figures supplied to you by the Santa Fe?

A. It is traffic to or from points in California on the Santa Fe on the one hand, and on the other traffic to or from points in Oregon or Washington.

Mr. Treanor: Thank you. That is all I have, sir.

[fol. 314] Exam. Wright: Any redirect examination?

Mr. Burkett: Yes.

Mr. Farrell: I have one.

Mr. Burkett: Go ahead.

Recross examination.

By Mr. Farrell:

Q. Mr. Wadsworth, to the extent that these industries are located at joint trackage in connection with Table 6 of your Exhibit 3, so that they would be local to the Great Northern Railroad, there would be no need for an interchange in order for them to route that traffic on through rates via Bieber, isn't that correct?

Mr. Treanor: Excuse me. For clarification, Mr. Farrell, do you mean on the Great Northern?

Mr. Farrell: Read the question.

Exam. Wright: The reporter will read the question.

Mr. Farrell: And if it isn't clear, counsel, I will be happy to reframe it.

(Question read.)

Mr. Treanor: I am not clear, Frank, whether you mean routed Great Northern through routes—isn't that what you mean?

Mr. Farrell: I think that would follow, yes.

By Mr. Farrell:

Q. Isn't that correct?

A. As to shipments originating at or terminating at locations on the Great Northern, there would be no need for [fol. 315] interchange at those stations because that traffic could be handled via Bieber with delivery at Great Northern locations or with the point of origin at the Great Northern location.

Mr. Farrell: I have nothing further.

By Mr. Burkett:

Q. Now, I would like to get back to the Santa Fe figures. Would they include traffic moving from points served by the Southern Pacific, such as Salinas, California?

A. No, it couldn't possibly.

Q. Would they include the traffic moving to or from Klamath Falls, Oregon?

A. I think, yes, it could.

Q. Would they include figures on traffic moving to and from Bend, Oregon?

A. If there were any shipments.

Q. Would they include figures on traffic moving to and from Portland, Oregon?

A. Yes.

Q. And even though the figures furnished by the Santa Fe were so limited to these three states, the Western Pacific figures which you have used to make the computations on Exhibit No. 11 were taken from the wider territory which we discussed?

A. That is true.

Mr. Burkett: That is all.

Exam. Wright: Do you have anything further?

Mr. Treanor: I have nothing further, sir.

[fol. 316] OFFERS IN EVIDENCE

I would like to offer into the record Mr. Wadsworth's Exhibits 1 through 16, inclusive.

Exam. Wright: Any objections?

Mr. Burkett: No, Mr. Examiner, but I just have one other question I would like to develop with Mr. Wadsworth here on a matter of recross-examination, and that has to do with the Santa Fe figures that were furnished.

By Mr. Burkett:

Q. Didn't those Santa Fe figures which were furnished cover Southern Pacific movements by way of the Southern Pacific routes?

A. Yes.

Q. Is that correct?

A. They include all the shipments which the Santa Fe handled—

Q. With the Santa Fe?

A. Southern Pacific and Western Pacific.

Q. Therefore, they would include shipments which might be routed Fresno to Stockton by Santa Fe, and then Southern Pacific from Stockton to Portland?

A. True.

Q. And would they include shipments which moved by Santa Fe from San Diego to Los Angeles, and thence by Southern Pacific from Los Angeles to Portland?

A. Yes, if the rates applied.

Q. Assuming the rates so applied.

A. True.

[fol. 317] Mr. Burkett: That is all.

Exam. Wright: Exhibits 1 through 16 are received in evidence.

(Complainants' Exhibits Nos. 1 through 16, inclusive, Witness Wadsworth, were received in evidence.)

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[fol. 318] Mr. Hobbs: Is it understood, except for Mr. Roeder's appearance, the complainants rest?

Mr. Treanor: We rest our direct case, yes.

* * * * * * *

Mr. Hobbs: Yes. We call Mr. Stilling.

A. J. STILLING was duly sworn and testified as follows:

Exam. Wright: Just the one exhibit?
The Witness: That is all.
Exam. Wright: That will be No. 26.
Mr. Hobbs: Does everybody have statements now?

(Defendants' Exhibit No. 26, Witness Stilling, was marked for identification.)

Direct examination.

By Mr. Hobbs:

Q. Will you state your name and business address, Mr. Stilling?

[fol. 319] A. My name is A. J. Stilling. My business address is 1416 Dodge Street, Omaha 2, Nebraska.

Q. And by whom are you employed, under what capacity?

A. I am employed by the Union Pacific Railroad in the capacity of freight traffic manager.

Q. And how long have you been employed by the Union Pacific in traffic matters?

A. Continuously since September 1917.

Q. And just briefly, Mr. Stilling, what are your duties, what do your duties at the present time include?

A. My present duties include primarily the preparation of traffic department material for proceedings before the Interstate Commerce Commission, and also State Commission.

Q. And how long have you been engaged in that matter?

A. For the past 20 years, most of my time has been devoted to those particular duties.

Mr. Hobbs: Mr. Examiner, Mr. Stilling's testimony has been reduced in statement form which everyone has a copy. If he may be privileged to read that.

Exam. Wright: He may.

Mr. Hobbs: And in that connection, too, he is introducing an exhibit map. I wonder if that might not be marked at this time for identification.

Exam. Wright: The map bearing the docket number in the legend, "Witness A. J. Stilling," at the top, will be Exhibit [fol. 320] No. 26 for identification.

By Mr. Hobbs:

Q. Will you proceed, then, Mr. Stilling, with your statement.

A. Yes. I might say, before I start my prepared statement, this map is introduced primarily for the purpose of showing the Union Pacific line in California, Nevada, Utah, Idaho, Oregon and Washington, which is indicated with red, and the principal lines of the Southern Pacific in Oregon and California in blue, and the joint line of the Santa Fe, Western Pacific, Great Northern, between California and Portland is shown in green.

Joint rates and through routes via Portland, Oregon, have been in effect over a long period of years between points in California on the Southern Pacific and its connections, and points in Oregon, Washington and North Idaho on the Union Pacific and its connections.

The Southern Pacific, with its connecting lines, serves practically the entire State of California. In addition, Portland, Oregon, which is its northern terminus, is reached by the single line route of the Southern Pacific where northbound traffic is delivered to the Union Pacific and southbound traffic is received from the Union Pacific.

Portland is the western terminus of the Union Pacific lines from all points in Oregon, Washington and Idaho and is the only point where connection is made with the Southern [fol. 321] Pacific for interchange of northbound and southbound traffic, so we are not in competition with each other for this traffic, and there is no question as to where the traffic is to be interchanged. Interchange arrangements and train schedules of the two roads to and from Portland are geared so as to insure prompt service to the public interest.

Between the Southern California area and points in the Northwest, some of the rates are also applicable via the Union Pacific long-haul route through Salt Lake City and Pocatello. Except in a few instances, which I will discuss, it has been and continues to be my view that the joint rates and through routes with the Southern Pacific via Portland, together with the application of some of the rates between Southern California and points in Oregon, Washington and north Idaho via the Union Pacific route through Utah and Idaho, provide all the joint rates, through routes and service that is necessary in the public interest and there is no real need for additional through routes via the Western Pacific and Great Northern roads through Bieber and Portland with the Union Pacific.

Moreover, as I will show later, the two-line route of the Western Pacific and Great Northern through Bieber to Portland involves a great deal of wasteful backhauling in addition to short hauling the Union Pacific, and the route is in no way comparable to the single-line route of the Southern [fol. 322] Pacific between California and Portland.

The few instances previously mentioned where the Union Pacific has established joint rates and through routes with the Western Pacific and Great Northern via their Bieber route are those mentioned in paragraph VI of the complaint. The joint rates on livestock were ordered by the Commission in the Docket 17000, Part 9, proceeding, and class rates were established in September, 1956, as a result of the Commission's order in Docket 30416—Class Rates—Mountain Pacific Territory. An examination of our records for the year 1960 discloses no movement of livestock or class-rated traffic, so there was and is no public need for the rates and routes which the Commission ordered us to establish.

In the year 1950 or 1951, United States Pipe and Foundry Company constructed a Cast Iron Pressure Pipe Foundry at Decoto, California, a point 20 miles east and south of Oakland, California. Decoto is served by both the Western Pacific and Southern Pacific, but there is no track connection between the two carriers and the foundry is served exclusively by the Western Pacific.

In December, 1951, United States Pipe and Foundry Company filed a formal complaint (I. C. C. Docket 30964) seeking an order requiring joint rates and through routes on cast-iron pipe from Decoto, California, via Western Pacific, Bieber, California, Great Northern, Portland, Union Pacific to destina-
[fol. 323] tions on the Union Pacific in Oregon, Washington and Idaho. Shortly after the filing of the complaint, the carriers reached an agreement which led to the publication of rates satisfactory to the United States Pipe and Foundry Company effective June 21, 1952.

The formal complaint in Docket 30964 was subsequently dismissed by the Commission on petition of the complainant. The Union Pacific has enjoyed some carload movement of pipe from Portland under that rate adjustment but, because of the back-hauling involved when the destination is a station on the Union Pacific east of Portland, and the fact that we are always short-hauled via Portland as we would be under complainants' proposal, instead of receiving the cars at Bend, Oregon, where a connection exists between the Great Northern and Union Pacific, the existing arrangement is not entirely satisfactory to us.

In July, 1959, The Western Pacific Railroad Company filed a formal complaint with the Commission (I. C. C. Docket 33118) alleging violation of Sections 1(4) and 3(4) of Part I of the Interstate Commerce Act by the Union Pacific and other railroads by reason of refusal to establish joint rates and through routes via Bieber, California and Portland, Oregon on motor vehicles forwarded from Decoto and Oakland, California, to points on the Union Pacific in the States of Oregon, Washington and Idaho.

[fol. 324] At the time the complaint was filed we were informed that General Motors Corporation had decided to construct an assembly plant at Decoto, California, to be served by the Western Pacific Railroad and only the absence of joint rates and through routes via the Bieber route to Portland to destinations on the Northern Pacific, Union Pacific and their connections was delaying the final decision to proceed with the construction of the new plant.

Union Pacific management decided at that time that the circumstances presented a public need for joint rates on motor vehicles via the Bieber route, and they were established with our concurrence effective October 4, 1959. Our understanding, based on information supplied after the formal complaint was filed, was subsequently proven to be erroneous because the plant was never built at Decoto and there has been no movement under the rates that have now been in effect for about one and one-half years.

We are for a number of reasons opposed to the publication of additional joint rates via the Bieber route. Differences in the distance and op ıting conditions between the Southern Pacific route and the Western Pacific Bieber, Great Northern route from points in California to Portland have been or will be shown by another witness, as will the more difficult, expensive and generally unsatisfactory interchange arrangement between the Great Northern and Union Pacific at Port-
[fol. 325] land compared with the interchange between the Southern Pacific and Union Pacific at Portland.

In addition to the greater distance via the Bieber route than via the Southern Pacific route from points in California to Portland, there would always be a substantial backhaul involved via the Bieber route to or from points on the Union Pacific east of Portland because the Great Northern operation from Bend, Oregon to the Columbia River is over the line of railroad operated jointly by the Oregon Trunk Railway and Union Pacific Railroad.

At Oregon Trunk Junction on the south side of the Columbia River that joint line connects with the Union Pacific main line, and at Wishram, Washington on the north side of the Columbia River the joint line connects with the Spokane, Portland & Seattle Railway. From Wishram to Portland the operation is via the Spokane, Portland & Seattle Railway on the north side of the Columbia River, paralleling the line of the Union Pacific on the south side of the river. Via the Bieber route with interchange to or from the Union Pacific at Portland, there would always be out of line haul of about 200 miles to or from Union Pacific stations east of Oregon

Trunk Junction, Oregon. For example, from Oakland, California to Spokane, Washington, it is 1252 miles via Western Pacific, Bieber, California, Great Northern, Portland, Oregon, [fol. 326] Union Pacific; while it is 1048 miles via Western Pacific, Bieber, Great Northern, and 1088 miles via Southern Pacific, Portland, Union Pacific.

The present divisions received by the Union Pacific on traffic interchanged at Portland with the Southern Pacific would not be fair and reasonable to be applied to traffic interchanged at Portland via the Bieber Route because of the higher interchange costs at Portland, additional freight car per diem charges that would accrue and the additional claim hazard involved.

Q. Now, Mr. Stilling, will you please refer to the map which has been identified by Exhibit No. 26, and indicate on the map where the short hauling would occur, or why the Union Pacific would be short-hauled if these proposed routes and rates were made effective.

A. Well, on northbound traffic, that is, traffic originating in California, the complaint seeks a through route for the Union Pacific, via Portland, Oregon. There is a direct connection between the Great Northern Railway and the Union Pacific at Bend, which is the Southernmost point on the joint green and red line shown there in Oregon from our main line south.

Southbound traffic originating on the Union Pacific could be handled by the Union Pacific and there delivered to the Great Northern Railway instead of at Portland, Oregon.

[fol. 327] Q. In other words, northbound the Union Pacific, to obtain the long haul, should receive the traffic at Bend, and southbound should carry it to Bend rather than interchange at Portland?

A. It could receive the traffic at Bend northbound, and it could handle it to Bend southbound.

Q. That is what I mean.

Now, then, looking at the map again, would you indicate where the 200-mile backhaul occurs?

A. That occurs from the point where the joint red and green line on the map is shown as joining with the main east

and west line of the Union Pacific on the south side of the Columbia River.

Q. That is right opposite the designation Wishram on the map, isn't it?

A. That is right. That is the point where the joint line makes connection with the SP&S.

Q. Yes.

A. And the backhaul would occur by reason of the SP&S operation from Wishram into Portland, and then the Union Pacific from Portland back into Oregon trunk junction.

Q. And that would occur at any destination or origin point on the Union Pacific lines east of Oregon Trunk Junction?

A. That is right.

Q. Or across the river from Wishram?

A. Yes, sir.

[fol. 328] Q. Now, can you state, Mr. Stilling, what the policy of the Union Pacific has been with respect to the establishment of joint rates over the Bieber route?

You have referred to a couple or three instances. What is the policy of the Union Pacific with regard to that?

A. Well, we are generally opposed to the publication of joint rates over the Bieber route for reasons that I have stated, but we are ready and willing at all times, as my testimony indicates, to give very serious consideration to the publication of joint rates where there is proven need for them in the public interest.

Q. And is it your understanding that that policy of the Union Pacific will continue?

A. Yes, sir.

Mr. Hobbs: You may cross examine.

Cross examination.

By Mr. Treanor:

Q. Mr. Stilling, is it correct that your jurisdiction and certainly your knowledge is not confined to the Union Pacific situation at Portland, Oregon? Is that correct, sir?

A. (No response.)

Q. What I have in mind is that you know, or do you know of any points of interchange between your railroad and more than one other carrier?

A. Well, I am not sure that your question is clear, Mr. Treanor.

[fol. 329] Q. What I am getting at is, at Portland you connect with, among others, the Southern Pacific and the Great Northern. Now, at other points in your system, you make connection or interchanges with more than one carrier, do you not, sir?

A. We serve a great many common points on our entire railroad, but we may—but we make connection with more than one railroad, yes.

Q. And at every one of those points, do you have identical interchange arrangements with each carrier with which you interchange at that point?

A. They would not be precisely.

Q. Isn't it a fact, sir, at many points there are differences of a material degree?

A. I wouldn't be able to answer that.

Q. At how many points do you join in rates? And I am thinking of a situation that we have just covered where the Union Pacific connects with more than one carrier under different conditions at the same point.

At how many of those points do you give through rates to one of your connections and deny them to another?

A. I couldn't answer that question.

Q. There are not very many, are there, Mr. Stilling, so far as you know?

A. No, I guess not. There would not be very many, no, where the conditions are identical.

[fol. 330] Q. Well, let us say where they are not identical and where they are dissimilar.

A. There would still not be very many.

Q. Now, on this backhauling situation, I just want to make sure it is clear.

This is backhauled from Portland back to Wishram, but you didn't get the in-haul, did you?

A. Not under your complaint, we would not get the in-haul, no, to Portland.

Q. It is not a situation then where you would have to haul it in and then haul it back out again another 200 miles?

A. No, sir.

Q. So that, as far as you are concerned, on this so-called backhaul—when I say "you" I mean the Union Pacific—whether you take it—without regard at this time to the interchange, disregarding the interchange for purposes of this question—your operation, whether you take the trains or the cars from the Southern Pacific at Portland, and move them up into this eastern territory, would be no different than if you took them from the Great Northern and moved them in that connection?

A. The Union Pacific's linehaul operation would be no different.

Q. Yes, sir, that is what I meant, the line haul.

The differences in the operating conditions between the Southern Pacific route and the Western Pacific-Great Northern route that you have referred to, except for what you have [fol. 331] testified to with regard to the interchange connections or the interchange situation, doesn't affect you, does it, sir? I mean by "you," I mean the Union Pacific.

A. No, sir.

Q. The testimony you have given with regard to the unfortunate experience of the Western Pacific with the General Motors plant, does your information go far enough to indicate who got that plant?

A. No, sir.

Q. If the divisions that have been offered to you on the same basis as what you are getting from the Southern Pacific were enlarged enough to make up for these alleged additional costs on the interchange, would that make a difference in the attitude of the Union Pacific?

A. It might.

Q. Now, we come to the question of the detail on these, and I quote, more difficult expenses and generally unsatisfactory interchange arrangements.

You have indicated that there would probably be another witness on this.

A. There will.

Mr. Hobbs: There will, Walter. We are going into that in detail.

By Mr. Treanor:

Q. The Union Pacific is a substantial stockholder in the Western Pacific, is it not, Mr. Stilling, to your knowledge? [fol. 332] A. I understand from press reporters that we are.

Q. Do you hold that for investment purposes, do you know?

A. I wouldn't know.

Q. If it were held for investment purposes, would you want to improve your investment or damage it?

Mr. Hobbs: I object to that, Mr. Examiner. It has nothing to do with this case.

Exam. Wright: I will sustain the objection.

By Mr. Treanor:

Q. With regard to the interchange at Bend, you are not presently under the setup you have with your rates today getting any traffic from us at Bend, are you?

A. Not to my knowledge.

Q. So that if the traffic generally should increase via our route, and you were to get it at Portland, you would be no worse off than you are today, would you, Mr. Stilling?

A. I think I missed something.

The Witness: Would you read it, Mr. Reporter?

Exam. Wright: Would the reporter read the question?

(Question read.)

The Witness: No.

Mr. Treanor: That completes my examination. Thank you.

Exam. Wright: Any further cross?

Mr. Tjosseni: Yes, I would like to ask a few questions, please.

[fol. 333] By Mr. Tjosseni:

Q. Mr. Stilling, I am interested in your testimony at the bottom of page 3 concerning the connection that exists between the Great Northern and Union Pacific at Bend.

Is there any traffic interchange between the Great Northern and Union Pacific at Bend, to your knowledge?

A. Not to my knowledge, no, at the present time.

Q. Do you know as a matter of fact that there is a connection between the Union Pacific and the Great Northern at Bend, or is that connection with the Union Pacific with the Oregon Trunk?

A. Well, it is my understanding that there is a connection there between the Union Pacific and the Great Northern.

Q. There is actually a physical connection?

A. That is my understanding, yes, sir.

Mr. Tjosseni: I have nothing further.

Exam. Wright: Redirect?

Mr. Hobbs: Just one question.

Redirect examination.

By Mr. Hobbs:

Q. There is one difference, isn't there, Mr. Stilling, in answer to Mr. Treanor's question about the fact that we are not injured by interchanging at Portland, or wouldn't be injured by interchange at Portland with the Great Northern over what we have today, but we are not being shorthauled today, are we?

[fol. 334] A. On whatever traffic moving via the Bieber Route on the Union Pacific we are being short-hauled.

Q. Yes, on those few instances where we have rates in effect, but by and large we are not short-hauled today except for that.

A. That is right, sir.

Q. We are not short-hauled when we interchange with the Southern Pacific at Portland.

A. No, sir.

Mr. Hobbs: That is all.

Mr. Treanor: That is all I have.

OFFER IN EVIDENCE

Mr. Hobbs: We offer Exhibit No. 26, Mr. Examiner.

Exam. Wright: Any objections?

Mr. Treanor: No, sir.

Exam. Wright: Exhibit No. 26 is received in evidence.

(Defendants' Exhibit No. 26, witness Stilling, was received in evidence.)

* * * * * * *

Exam. Wright: You are excused.

(Witness excused.)

Mr. Higgins: Just go on around and he will swear you in.

R. B. HARDIN was duly sworn and testified as follows:

Exam. Wright: Be seated.

[fol. 335] Mr. Higgins: If the Examiner, please, the next witness is Mr. R. B. Hardin. He has a prepared statement and a one-sheet map exhibit, and I would like to have the map exhibit marked for identification at this time.

Exam. Wright: That will be No. 27 for identification.

(Defendants' Exhibit No. 27, Witness Hardin, was marked for identification.)

Direct examination.

By Mr. Higgins:

Q. Mr. Hardin, having been sworn, will you please proceed to read your statement.

A. My name is R. B. Hardin. I am Terminal Superintendent of the Union Pacific Railroad Company at Albina-Port-

land, Oregon on the Oregon Division. My office is located at 2525 North Larrabee Avenue, Portland, Oregon. I have been employed in this capacity at Albina-Portland, Oregon since September 1, 1960 and have previously been employed in various capacities in the Operating Department of the Union Pacific Railroad Company since 1936. My duties include the supervision of all phases of yard operation including the general supervision of operating functions and personnel. My duties extend to all such operations throughout the Albina-Portland area.

I am generally familiar with the issues in this proceeding and with the request of the Western Pacific Railroad Company for a through route connecting with the Great Northern Railway at Bieber, California and the Union Pacific Railroad [fol. 336] Company at Portland, Oregon. In preparing my testimony I have made a recent investigation of the operations involved in the interchange of traffic between the Union Pacific Railroad Company and Southern Pacific Company at Portland, and also the conditions of operation that would take place in connection with an interchange at Portland between the Great Northern Railway Company and the Union Pacific Railroad Company involving traffic moved via Bieber. For purposes of illustration, I have had prepared a map of the rail facilities at Portland, Oregon and Vancouver, Washington involved in these interchange operations. This map has been marked for identification as Exhibit No. 27.

All traffic interchanged at Portland between the Union Pacific Railroad Company and connecting lines, except the Southern Pacific Company, is interchanged at the Northern Pacific Terminal Company Depot Yard. This is shown on the map, Exhibit No. 27, by a letter E. Interchange between the Union Pacific Railroad Company and the Southern Pacific Company is accomplished in the Union Pacific Railroad Company's Albina yard. This is shown on Exhibit 27 by a letter B.

I would now like to explain the manner in which traffic is interchanged between the Union Pacific and Southern Pacific at Portland. Traffic from California points billed via the Southern Pacific Company for interchange to the Union Pacific Railroad Company arrives in Portland in the Southern

[fol. 337] Pacific Company's Brooklyn-Portland yard. Brooklyn yard is designated by a letter A. While en route, this traffic is blocked in such a manner that when the train arrives in the Brooklyn-Portland yard, cars intended for destinations on the Union Pacific Railroad Company and its connections are removed from the train and handled in a transfer movement from the Brooklyn-Portland yard to the Union Pacific's Albina-Portland yard.

When I refer to traffic, or cars, being "blocked" in a train, I mean that all cars for interchange to the Union Pacific, for instance, are grouped together to facilitate transfer to the Union Pacific's Albina yard.

These transfers, as well as those in the opposite direction, are handled by Southern Pacific Company engines and crews between the Brooklyn and Albina yards. After delivery of a transfer at Albina, the Southern Pacific crew returns to Brooklyn with a transfer from the Union Pacific. Cost of making the transfers is computed on a minute basis for the time the Southern Pacific Company engines and crews are on the Union Pacific Railroad Company trackage at the rate of $22.60 per hour. Using February, 1961, as an example, the Southern Pacific Company made 113 round-trip movements between Southern Pacific Company Brooklyn yard and Union Pacific Railroad Company Albina yard and handled a total of 3857 cars from Brooklyn to Albina and 4218 cars from Albina to Brooklyn for a total of 8075 cars. Eliminating [fol. 338] light movements, that is when an engine moves without handling any cars, the transfers from Brooklyn to Albina averaged 38 cars, and the transfers from Albina to Brooklyn averaged 42 cars. As many as 86 cars were handled in a transfer to Albina and 74 cars have been handled in a transfer to Brooklyn.

Southern Pacific Company crews used 167 hours and 30 minutes time on Union Pacific Railroad Company trackage at a cost to the Union Pacific Railroad Company of $3,785.50. This broken down on a car basis amounts to 46.88 cents per car.

Traffic arriving in Brooklyn Yard on Southern Pacific Company manifest trains to be interchanged to the Union Pacific

Railroad Company is delivered to the Union Pacific at Albina Yard in time to make its outbound connections. It is a distance of four and one-half miles from Brooklyn Yard to the point where Southern Pacific Company transfers are yarded in the Albina Yard. Average time consumed by Southern Pacific Company in making this transfer is 45 minutes.

Waybills for the traffic are handled by the Southern Pacific Company switch crews making delivery of the interchange or by messenger service between Brooklyn Yard Office and Albina Yard Office. All waybills are delivered to the Albina Yard Office where waybills for through traffic move with cars on respective trains and waybills for local industries are dispatched to the Albina Freight Office for their handling.

I would like to describe the Albina Yard and the way [fol. 339] traffic is handled there. The classification yard in Albina Yard is a flat yard with switching leads on both ends. There are 40 tracks with a total capacity of 2975 cars. There are five tracks, capable of holding 146 cars each or a total of 730 cars, which are used for the yarding and making up of through trains. Exclusive of the train yard, this classification yard has an operating capacity of approximately 1800 cars. Although all tracks exclusive of the train yard are used for classification, there are no assigned tracks for yarding transfers and all tracks are used for the purpose from time to time depending on operating conditions. When a transfer is yarded, Car Department employees are advised and an inspection is made of the cars and air bled off in order that they may be switched.

Using as an example, a transfer consisting of 38 cars from Southern Pacific Brooklyn yard, it would take 45 minutes for the Car Department to complete their inspection and bleed off the cars. All cars are identified by card system for the purpose of switching the cars in the Albina area. These cards, showing destination, are applied on cars upon arrival from information contained on waybills by Weighmaster-Yard Clerks. Ordinarily the cars are

carded by the time the Car Department has completed their inspection. It would take approximately 40 minutes to switch a transfer consisting of 38 cars. It should be noted that from the time a transfer is yarded and in the event [fol. 340] it consisted of 38 cars, elapsed time would be one hour and 25 minutes before the cars from the transfer would be ready to be entrained in an outbound connection.

At this time I would like to explain the handling of traffic in the Portland area between the Union Pacific and Great Northern when moving by the Bieber route. Traffic from California points via the Bieber route to Portland thence for movement by the Union Pacific Railroad Company beyond Portland would be handled by the Great Northern Railway Company to Bend, Oregon. From Bend the traffic would be moved over Oregon Trunk trackage to Wishram, Washington, which is located 106 miles east of Portland, and thence on Spokane, Portland and Seattle Railway Company track along the north bank of the Columbia River to Vancouver, Washington by SP&S Company crews. Vancouver yard is shown on Exhibit 27 by letter C.

When trains arrive from the Bieber Route through Bend, they are not blocked and it is necessary to yard the trains at Vancouver for classification. After classification traffic for delivery to the Northern Pacific Terminal Company, including traffic for Union Pacific, is handled in a transfer by SP&S engines and crews to the Northern Pacific Terminal Company Lake Yard. It is eight miles from Vancouver Yard across the Columbia River bridge and the Willamette River bridge to the Lake Yard which is identified on Exhibit 27 by letter D.

At the Northern Pacific Terminal Company's Lake Yard [fol. 341] the traffic is switched and the portion moving to the Union Pacific Railroad Company is handled from the Lake Yard to the interchange track in Northern Pacific Terminal Company's Depot yard by the Northern Pacific Terminal Company's switch engines, and crews. Depot yard is shown on Exhibit 27 by letter E.

Before being moved to the Depot yard, cars yarded in Lake Yard receive a Class A inspection by NPT mechanical forces and switching is done by NPT crews by the use of switch lists. In the case of cars for the Union Pacific Railroad Company, they are classified to a track and assembled for transfer.

The waybills for Great Northern cars yarded in the Lake Yard are taken to the SP&S Freight and Yard Office at Hoyt Street by the switch crew handling the transfer. After the waybills are worked, the switching instructions are telephoned to the Northern Pacific Terminal Company Yard Office and confirmed by a switch list which is delivered by messenger.

All Union Pacific Railroad Company traffic on hand at the Lake Yard is transferred to the Depot Yard three times daily. After the NPT switch engine is attached to the transfer, it would take 35 to 40 minutes for the Car Department to inspect and make the prescribed interchange air test. To perform this inspection and air test, blue flags are placed, one on the engine and one on the rear car of the transfer, and after the test is completed, the blue flags are removed. The transfer then proceeds to the Depot Yard, a [fol. 342] distance of two miles, where it is made available for interchange to the Union Pacific.

The Northern Pacific Terminal Company is a switching railroad owned jointly by the Union Pacific Railroad Company, Northern Pacific Railway Company and Southern Pacific Company, except that portion of the Northern Pacific Terminal Company's property known as Lake Yard in which the Great Northern Railway Company has a 25 per cent interest, and the Northern Pacific Terminal Company has a 75 per cent interest. Northern Pacific Terminal Company is managed and operated by its own staff of officers. Its costs of operation are pro-rated between the Railroad Companies involved on a per car cost basis, and this per car cost for the year 1960 for cars handled by the Terminal Company for the Union Pacific Railroad Company was $3.25 per loaded or empty freight car.

At the Depot Yard traffic from the Great Northern is interchanged to the Union Pacific Railroad Company and handled by Union Pacific Railroad Company engines and crews from the Depot Yard to Union Pacific Railroad Company's Albina Yard where cars are switched and entrained in the various connections for points north and east of Portland. Reverse movement would apply to southbound traffic via the Bieber route. As I have previously indicated, Albina Yard is identified by a letter B on map Exhibit 27.

The transfers are handled by Union Pacific Railroad [fol. 343] Company crews and engines from the Depot Yard to Albina Yard three times in a 24-hour period. These transfers are ordinarily handled from the Depot Yard to Albina at 4:00 a.m., 4:30 p.m. and 7:30 p.m. For example, in the month of February, 1961, there was a total of 92 transfers from the Depot Yard to the Union Pacific Railroad Company Albina Yard for a total of 1900 cars, an average of 20.65 cars per transfer. During this same month, the Union Pacific Railroad Company delivered 82 transfers to the Depot Yard for a total of 2093 cars, averaging 25.5 cars per transfer.

After the transfer is made available at the Northern Pacific Terminal Company Depot Yard and the Union Pacific switch engine is attached to the transfer, it is necessary that Northern Pacific Terminal Company carmen make the prescribed air test. This consists of placing blue flags on both ends of the transfer and after the inspection and air test are completed, the blue flags are removed. This air test on 21 cars will consume approximately 20 minutes. The reason that the air test in the Depot Yard can be performed quicker than at Lake Yard is because ordinarily the air hoses are all coupled and there is air in the brake cylinders.

After the air test is completed, Union Pacific Railroad Company switch crew handling the transfer will proceed to Albina Yard and will travel a distance of approximately two and one-half miles to a point where the cars will be [fol. 344] yarded in the Albina classification yard.

Switch lists for these transfers are handled via messenger from the Northern Pacific Terminal Company to Albina

Yard Office. Waybills and/or bills of lading are handled by messenger from various designated points to the Albina Yard Office.

Northern Pacific Terminal Company Depot Yard and the Union Pacific Railroad Company trackage is separated by the Willamette River, spanned by the Steel Bridge, located just east of Depot Yard. The bridge is jointly owned by the Union Pacific Railroad Company and the Southern Pacific Company, and used by those railroads and the Spokane, Portland & Seattle Railway Company. Maintenance and operation of the bridge is supervised by the Union Pacific Railroad Company for the owning companies. The total expense of maintenance and operation of the bridge is divided among the Railroad Companies making use thereof on the basis of number of cars for each company handled over the bridge. For the year 1960 the average cost per car handled over this facility was 44 cents.

Once the transfer is yarded in the Albina Yard, it would be handled in the same manner as a transfer from the Southern Pacific, or any other line. My previous description of the Albina Yard and the handling of a transfer from the Southern Pacific would be equally applicable to the handling of a Great Northern transfer such as I have just described.

[fol. 345] While my testimony has primarily covered transfer movements from the Southern Pacific and the Great Northern to the Union Pacific at Portland, the reverse movement of traffic would be substantially the same.

At this time, I would like to point out the main differences in handling an interchange of traffic between the Southern Pacific and the Union Pacific at Portland on the one hand and an interchange of traffic between the Great Northern and Union Pacific at Portland when via Bieber on the other hand.

1. An interchange between the Southern Pacific and the Union Pacific would receive two mechanical inspections, switching for classification in one yard, and one transfer movement.

An interchange between the Great Northern and Union Pacific would receive six mechanical inspections, switching for classification in three yards and three transfer movements.

2. An interchange between the Southern Pacific and Union Pacific would cover a distance of 4½ miles between Brooklyn Yard and Albina Yard.

   An interchange between the Great Northern and the Union Pacific via Northern Pacific Terminal Company's Yard would cover a distance of 12½ miles from Vancouver Yard to Albina Yard.

3. The average total elapsed time in an interchange be- [fol. 346] tween the Southern Pacific and the Union Pacific from the time the traffic arrived at Brooklyn Yard until delivered in Albina Yard is three hours 20 minutes.

   The average total elapsed time in an interchange between the Great Northern and the Union Pacific from the time traffic arrived at the Vancouver Yard until delivered in Albina Yard is 13 hours 20 minutes.

4. Traffic interchanged between the Southern Pacific Company and the Union Pacific in transfers costs the Union Pacific 46.88 cents per car.

   Traffic interchanged between the Great Northern and the Union Pacific when via Bieber costs the Union Pacific $3.25 per car for handling by Northern Pacific Terminal Company and 44 cents per car for handling over the Steel Bridge for a total of $3.69 per car. This does not include the cost of Union Pacific engines and crews handling the transfers between Depot and Albina Yards.

5. An interchange between the Southern Pacific and the Union Pacific averages 38 cars in a transfer to Albina Yard and 42 cars in a transfer to Brooklyn Yard with as many as 86 cars being handled to Albina and as

many as 74 cars being handled to Brooklyn in one transfer.

[fol. 347] A transfer from the Depot Yard to Albina Yard Averages 20.6 cars in a transfer and when handled from Albina Yard to Depot Yard averages 25.5 cars per transfer. The number of cars in these transfers range from 1 to 56.

I mention this comparison because it is not a satisfactory operation to handle more than 40 cars in a transfer from the Depot Yard to the Albina Yard because of a grade of .75 per cent for a distance of approximately 500 feet when going on to the Steel Bridge and also because of an S-Curve of 16 degrees and 15 degrees respectively after crossing the Steel Bridge. With more than 40 cars in a transfer it is not uncommon for the Union Pacific switch engines to stall, making it necessary to dispatch additional power or to cut the transfer and handle it in two separate movements from the Steel Bridge to Albina Yard.

Since it is apparent that a substantial back haul would be incurred in the case of traffic moved via the Bieber route west from Oregon Trunk Junction on the SP&S along the north bank of the Columbia River to Portland for interchange with the Union Pacific, and then east along the south bank of the Columbia River past Oregon Trunk Junction on the Union Pacific, I have made an investigation to determine the additional time and distance that would be involved.

Mr. Treanor: Just at this point, I don't know whether I [fol. 348] want to make an objection or not. I would like to ask for clarification whether this is included in his territory.

Mr. Hobbs: It is.

Mr. Higgins: It has been noted.

Mr. Treanor: All right.

By Mr. Higgins:

Q. Go ahead, Mr. Hardin.

A. For example, traffic handled direct to Spokane by the Great Northern Railway Company via Bieber is scheduled to depart from Bend on train GN-SWG at 5:30 a.m. and on the GN-Expediter 11:05 a.m., departing Los Angeles Mondays, Tuesdays and Fridays. According to Spokane, Portland and Seattle Railway Company timetable No. 131, running time from Bend to Wishram, Washington is four hours and 55 minutes. Spokane, Portland and Seattle Railway Company operates Second 276 from Vancouver to connect at Wishram with these trains and traffic from both of these trains is scheduled to arrive Spokane 10:00 a.m. the following morning. Elapsed time from Wishram to Spokane for GN-SWG traffic is 23 hours 35 minutes. Elapsed time for GN-Exp is 18 hours.

In the event the same traffic were routed via the Bieber Route-Union Pacific-Portland on the same schedules, GN-SWG would be due to arrive Wishram 12:25 a.m., and in case of the GN-Exp 4:00 p.m. According to Spokane, Portland and Seattle Railway Company timetable No. 131, running time between Wishram and Vancouver is two hours ten minutes. The average elapsed time from arrival Van- [fol. 349] couver Yard to arrival Albina Yard is 13 hours 20 minutes, which would schedule the traffic to arrive Albina off the GN-SWG at 1:55 a.m. the following morning and the GN-Exp traffic would arrive 7:30 a.m. the following morning. Traffic from both of these connections would depart from Albina on Union Pacific train No. 198 at 11:00 p.m. same day and arrive in Spokane 11:00 p.m. the following night which would amount to elapsed time of, in the case of traffic on the GN-SWG, 60 hours 35 minutes, and in the case of GN-Exp, 55 hours.

The additional mileage involved in a movement from Wishram west to Portland and then back to Oregon Trunk Junction, across the Columbia River from Wishram, is 203.7 miles in excess of the direct route.

Again using the destination of Spokane as an example, I would like to describe the time and mileage involved when traffic is delivered to the Union Pacific at Portland Albina Yard by the Southern Pacific. All Southern Pacific Company schedules are such that traffic arriving at Brooklyn Yard on any given day could make the Union Pacific No. 198 train scheduled to depart 11:00 p.m. same day, arriving Spokane the following day at 11:00 p.m. With the averaged elapsed time of three hours and 20 minutes from the arrival of a car in Brooklyn Yard until arrival in Albina Yard, plus the average time of one hour and 25 minutes before a car is ready to be entrained in outbound connection, [fol. 350] the elapsed time from arrival in Brooklyn Yard to arrival in Spokane would be approximately 28 hours 45 minutes.

From Albina Yard to Oregon Trunk Junction via Union Pacific is 95.1 miles. If the traffic had been routed via Bieber, and handled by the SP&S to Vancouver and then interchanged to the Union Pacific at Albina Yard for movement by the Union Pacific to Spokane, it would move an additional total of 205.2 miles in reaching Oregon Trunk Junction on the Union Pacific on the route to Spokane.

Q. Mr. Hardin, in your statement you referred to certain specific information such as number of cars handled in transfers. You recited various distances both within the Portland Terminal area and outside of it.

You also mentioned schedules and various elapsed time.

Now, sir, did the information to which you have just referred, was that developed personally by you?

A. Yes, sir.

Q. And with respect to the operations to which you have referred, you have made a personal inspection and investigation yourself?

A. Yes, sir.

Mr. Higgins: Mr. Examiner, that concludes the direct examination of Mr. Hardin. I tender him now for cross-examination, and I would also like to offer at this time Exhibit No. 27.

[fol. 351] Exam. Wright: I will withhold ruling on the offer until the conclusion of the examination of the witness, and we will take a short recess.

(Short recess.)

Exam. Wright: Come to order, please.

Cross examination.

By Mr. Treanor:

Q. Mr. Hardin, I would like to direct your attention to your statement at the top of page 2 where you refer to the fact that all traffic interchanged at Portland between the Union Pacific and connecting lines, except the Southern Pacific, is interchanged at the Terminal Company Depot Yard.

A. Yes, sir.

Q. Now, could you tell us who those other railroads are?

A. Well, the Northern Pacific and the Great Northern.

Q. How about the SP&S?

A. Yes, the SP&S.

Q. Any others that might come to your mind?

A. No.

Q. That would be the total?

A. Yes.

Q. At the bottom of that same page, page 2, how often is that transfer made between Brooklyn and Albina Yard?

A. Brooklyn and Albina Yard?

Q. Yes, sir.

[fol. 352] A. The transfers vary as to the traffic. There are not any scheduled transfers. I mean time schedules on the transfers. It depends on the business, the amount of traffic.

Q. Are you in a position based on the work you did here to tell us has there been established any average?

A. Yes, I can tell you they will average between four and five transfers in a 24-hour period, between four and five transfers.

Q. Now, is that four and five in each direction, or a total of four and five?

A. In each direction. When they deliver traffic to us, they ordinarily take traffic back, so that would be in both directions, yes.

Q. If I understand you correctly, that would be a total of eight to ten movements?

A. It would be, some days for example the average would be eight, four over and four back. The next day there might be ten, five over and five back.

Q. The cost of making the transfers you say is computed on a minute basis?

A. Yes, sir.

Q. Now, do you pay that in both directions?

A. Yes, we pay the time that the engine is on the Union Pacific trackage, whether he is delivering to us or whether he is taking cars from us, yes.

[fol. 353] Q. Are these the total costs that are incurred in making a transfer or a switch between your line and the Southern Pacific?

A. In that particular time that I referred to, yes, which was February 1961, yes, sir.

Q. In other words, I am not talking, of course, so you understand, about what you pay the Southern Pacific for that engine. I am talking about costs incurred by the Union Pacific, track maintenance or anything of that nature. That is not included in there, is it?

A. No.

Q. Your attention is directed to page 5 of your statement, and the paragraph at the middle of the page. You say you would like to explain the handling of the traffic in the Portland area between the Union Pacific and the Great Northern when moving via the Bieber route.

Is there any difference if the traffic via the Great Northern doesn't travel via the Bieber route?

A. No, so far as the transfers are concerned, no.

Q. So that in all of your transfers between the Union Pacific and the Great Northern this situation would apply?

A. Yes, sir.

Q. You have testified, also, on that same page that when trains arrive from the Bieber Route through Bend, they are not blocked. Now, is this a fact, sir—were you present [fol. 354] in the hearing room when Witness Allen testified?

A. Yes, sir.

Q. And is he incorrect in that respect?

A. From my observations, yes.

Q. Well, let us go a little further through your observation.

A. All right.

Q. When the trains arrive and you notice they are not blocked, you say, are they under your jurisdiction at that time?

A. No.

Q. Well, then, what is the extent of your observation as to this failure to block the cars?

A. I have had occasion to be in the Vancouver Yard numerous times since I have been in my capacity as terminal superintendent. The latest was a week ago last Saturday, and I have had occasion to study, look at the consist of the trains coming in via the Beiber Route, and I have noticed that they are not blocked and I have also seen the trains yarded in the Vancouver Yard and not being cut, a portion of the train left out on the outside track and it was from my own observation that I made this testimony.

Q. And are you familiar with the fact of whether or not an SP&S switch engine was standing there ready when these trains arrived for the separation of the Portland traffic away from the rest of the train?

A. Except that I have made a study of the time from the [fol. 355] arrival of the Vancouver to the arrival of the Northern Pacific Terminal Company Yard, and it is my observation that the cars had to be classified.

In other words, there would be some cars on the rear of the train that would have to come out, and then there would be other cars up in the train that would have to be switched out.

However, I will admit that from my observation they

ordinarily went against these trains very promptly as they could after inspection was made of them and so forth.

Q. I take it what you are talking about here is something as you have testified to would be a problem for someone other than yourself?

A. I don't follow you.

Q. Well, you say this failure to have the cars blocked, what does that do to you, your client, your employer?

A. Well, it is no problem to us except that we get the cars later. There is a possibility of us getting them later, I will say that.

Q. You haven't been getting too many, have you?

A. No, not as far as we would like.

Q. At the beginning the blocking is the responsibility of the delivering carrier?

A. Yes.

Q. And they can take care of that?

A. I beg your pardon?

[fol. 356] Q. And they can take care of the problems in that regard?

Mr. Higgins: If the Examiner please, I object to that as a statement from counsel, they can take care of it. We don't know if they can or not.

Mr. Treanor: In your opinion, can they take care of it?

Exam. Wright: I will overrule the objection.

A. I am not familiar with the operation; I am not familiar with whether they could or not.

By Mr. Treanor:

Q. Well, you have testified here about the inherent difficulties or problems, and I want to be sure that this is not a problem for you.

Mr. Higgins: If the Examiner please, I object. The witness did not testify that these were inherent difficulties. He testified from his observations of what has happened there, and he has already indicated he does not intend to speculate as to what might happen in the future.

Exam. Wright: I will sustain that objection.

I think he has already answered the question.

Mr. Treanor: I think he has, too, so I am not going to press it.

(Laughter.)

By Mr. Treanor:

Q. I would also like to know—you say all Union Pacific—on page 6—all Union Pacific Railroad Company traffic handled at the Lake Yard is transferred to the Depot Yard three times daily. Where is that transferred from?

[fol. 357] A. From?

Q. Yes.

A. Well, the cars are assembled at Guilds Lake Yard, and they come from various sources.

Q. Well, what are those various sources?

A. From connections, from industries located on the Northern Pacific Terminal Company, from connections into the Lake Yard.

Q. Now, aside from the industry traffic moving in, what connections are you specifically talking about?

A. Traffic from Vancouver Yard, SP&S, and Northern Pacific and Great Northern.

Q. Now, sir, I would like to go to page 7. The Northern Pacific Terminal Company—you may have made this clear but I would like to just inquire—do you have a function with that company?

A. Do I have a function?

Q. Yes.

A. So far as having jurisdiction you mean in that Guilds Lake Yard or—

Q. Well, actually, it appears to me that you have testified at quite some length about the activities and costs, et cetera—

A. Yes.

Q. —of Northern Pacific Terminal Company. Yet in giving your qualifications you have said that you are terminal

[fol. 358] superintendent of the Union Pacific Railroad Company which, of course, is apparent.

I would like to know just what your connection is with the Northern Pacific Terminal Company.

Mr. Higgins: Well, Mr. Examiner, I will have to at least comment on the question and see if it is phrased properly. I don't think the witness has testified as to the cost of the Northern Pacific Terminal Company except to the extent both costs are billed against the Union Pacific.

Mr. Treanor: Well, Mr. Examiner, I submit that I have to be able to get to the guts of these costs to the Union Pacific and if this man is not prepared to discuss that subject with me then of course I can't proceed and I don't think his testimony would be proper.

So, therefore, I was trying to lead into an examination of this man on those figures.

Exam. Wright: As I understand the question, you are asking him whether or not he holds any official capacity with the Terminal Company.

Mr. Higgins: I believe the word was "function."

Now, if he would explain what he means by function, I wouldn't object to it.

By Mr. Treanor:

Q. What do you do for them?

Exam. Wright: If anything.

A. I do not work for the Terminal Company.

[fol. 359] Mr. Higgins: All right, you have answered it.

By Mr. Treanor:

Q. I know that Mr. Higgins is anxious for me to ask you for your underlying documents on these costs, so I will now ask you for them.

A. On the cost that I have reference to, the $3.25?

Q. Yes, sir.

Mr. Higgins: To what do you have reference, Mr. Treanor?

Mr. Treanor: I would like the underlying documents which show that it cost the Union Pacific the sum of $3.25 for loaded or empty freight cars, and I would also like to go into in some detail the manner in which that figure was arrived at.

I want to know what elements went into that. I want to know what you are paying for for that $3.25.

Mr. Higgins: The witness does not have the underlying documents to the extent that you have in mind I am sure, but if you will ask him how he arrived at that figure, how he knows about it, I think he can answer it quite capably.

By Mr. Treanor:

Q. How did you arrive at it?

A. I was advised by a letter addressed to the general manager indicating that the cost, in 1960, that our average cost was $3.25 per car count.

Q. You got a letter from the Union Pacific's general manager or—

A. No, the Northern Pacific Terminal Company.

Q. In other words, as I understand it, what you have to [fol. 360] give me is a bill that you have paid?

A. No, it isn't exactly a bill.

Q. Well, it is a statement of a bill?

A. That is right.

Q. But you don't know whether that was even—you don't know how that is composed, do you?

A. (No response.)

Q. Or how it was compiled?

A. No.

Q. So that if I were to inquire as to whether included in that $3.25 for loaded or empty freight car is an investment in equipment which you have, an investment in land, an investment in salaries a portion of taxes maybe even a part of Mr. Hobbs' salary—

Mr. Hobbs: I don't work for the Terminal Company either.

By Mr. Treanor:

Q. You couldn't tell me any of that, could you?

A. I don't know the mechanics of computing the costs, if that is what you mean, no.

Q. Well, let me ask you this, sir, then. This is a per car cost, and you already have your investment in the terminal. If you get a lot more cars through that yard your per car cost might go way down so far as you know.

Mr. Higgins: If the Examiner please, I object to that. The witness has testified he does not know the components [fol. 361] of the cost.

Exam. Wright: I will let him ask that on cross-examination. Overruled.

Mr. Higgins: Sir?

Exam. Wright: Overruled.

The Witness: Will you read the question pending?

Mr. Higgins: The reporter will read it, sir.

Exam. Wright: The reporter will read the question.

(Question read.)

A. I don't know for sure whether it would be or wouldn't be.

By Mr. Treanor:

Q. I don't suppose you could tell me whether your per car cost was caused by interchange with the Great Northern, or with some other carrier, maybe the Northern Pacific, could you?

A. If the Terminal Company handles the car for us, it costs $3.25.

Q. Yes.

A. That is right.

Q. But is each car that you may get from the Great Northern if these rates go into effect going to cost you an

additional $3.26 so far as you know or may it cost you an additional penny?

A. I don't know.

Q. Will you direct your attention, please, to page 8. I read this hurriedly, and I would like to just take a second [fol. 362] to reread it before I ask the question. I may be guilty of just misreading.

Now, you say, sir, "For example in the month of February 1961 there were a total of 92 transfers from the Depot Yard to the Union Pacific"—excuse me, I had misread it.

The statement you make, sir, on page 10, in subparagraph Arabic numeral 2 there, you give the distance of 12½ miles from Vancouver Yard to Albina Yard.

I am a little confused as to why you put that figure in there. Isn't the interchange made at Portland rather than Vancouver?

Mr. Higgins: Pardon me, counsel, where are you? I missed the—

Mr. Treanor: Page 10, Bill. No. 2.

Mr. Higgins: All right.

A. At that particular place I am comparing the distance between the Brooklyn Yard and the Albina Yard and the difference between Vancouver and the Albina Yard.

Q. But actually the interchange is made in Portland today, not at Vancouver.

A. Yes, but we have to take them to Albina from Portland to entrain them, so they move the extra two and a half miles.

Q. Well, what I was asking you about, though, is you have given the distance of 12½ miles from Vancouver to Albina?

A. Yes.

[fol. 363] Q. I am not sure that I follow your answer there. I don't mean to press you on it, but—

A. Well, the distance between Brooklyn Yard and the Albina Yard where the cars could be entrained is four and a half miles.

Q. Yes.

A. The distance from Vancouver Yard to Albina Yard where the cars could be entrained is 12½ miles.

Q. Oh, I see. You are looking ahead maybe to an improvement in your situation?

A. No, not necessarily. I am just relating the distances between these points.

Q. Well, what is the significance of showing the situation at Vancouver unless there is a possibility of improving this interchange by making it at Vancouver?

Mr. Higgins: Well, if the Examiner please, that is argumentative. We are showing what the situation is between terminals after line haul movements because of the request of the complainants here.

We are simply comparing what the situation would be.

Exam. Wright: I will sustain the objection.

By Mr. Treanor:

Q. Let me ask it another way, and I am not trying to circumvent an objection when I ask it.

Based on your experience, and you are obviously well experienced, cannot improvements be made in the interchange situation in Portland between the Great Northern [fol. 364] and your railroad?

A. Oh, I haven't given any great thought right at this time. I wouldn't say that you couldn't.

Q. Have you worked in other terminal areas?

A. Yes, sir.

Q. Have you ever seen improvements made?

A. I beg your pardon?

Q. Have you ever seen improvements made in terminal areas?

A. Oh, yes.

Q. It is done all the time, isn't it, sir?

A. It is our intention.

Q. Now, sir, I direct your attention to your statement actually starting at the bottom of page 11 and carrying

over to page 12, you say, "A transfer from the Depot Yard to the Albina Yard averages 20.6 cars, and in the reverse direction averages 25.5 cars."

A. Yes.

Q. You say the number of cars can range from one to 56.

A. Yes.

Q. And I am sure you have the records there to tell us how many times you have had to handle more than 40 cars in the transfer?

A. Yes.

Q. All right. You have been waiting for me to ask it. Now I will ask it.

[fol. 365] (Laughter.)

A. How many times we have handled—

Q. Well, you say that it is not satisfactory to handle more than 40 cars in a transfer from the Depot Yard to the Albina Yard.

Now, you have also said that your average there is 20.6 cars, so that based on the averages this situation doesn't appear to be critical.

Now, I would like to know just how often that happened.

Mr. Higgins: Give the period, Mr. Hardin.

The Witness: I beg your pardon?

Mr. Higgins: Give the period of time which you are checking.

The Witness: This is the same period I referred to in my statement, February 1961, and the question was how many times we have handled how many cars?

By Mr. Treanor:

Q. More than 40, sir.

A. More than 40?

Q. Yes.

A. Seven times, in February 1961.

Q. How often during those moves did your engine stall making it necessary to attach additional power?

A. Well, very likely in each and every case.

Q. Well, do you know?

A. No.

Q. Now, sir, your testimony with regard to the so-called [fol. 366] back haul, once again you heard Witness Stilling testify that when you talk about a back haul that is a back haul of the traffic but it is not a back haul for the Western Pacific, is that right?

A. That is right.

Q. And I take it, or I will ask you, is the purpose of your testimony there in the next several pages to show that the complainants' route is not as attractive to the shippers as the Southern Pacific's route is?

Mr. Higgins: If the Examiner please, I will have to interrupt and object.

If he is inquiring about purpose, that is a question for counsel, and the purpose is to show the unnecessary wasteful transportation that would result.

Mr. Treanor: Well, now, we are going to get a little argumentative in how wasteful that is.

Mr. Higgins: We will argue it on brief.

Mr. Treanor: Does this witness intend by his testimony to show this as wasteful transportation?

Mr. Farrell: The testimony speaks for itself, counsel.

Mr. Treanor: That is what I thought, but I have just been told that Mr. Higgins wants to answer the question.

Mr. Farrell: He thought you wanted a supplement.

Mr. Burkett: You had better file a brief and educate everybody at that time.

[fol. 367] Exam. Wright: Direct this question to the witness.

By Mr. Treanor:

Q. Does this in your opinion show wasteful transportation?

A. Well, it costs money to haul cars.

Q. At whose cost?

A. Well, whoever is handling them.

Q. Well, if you handle the traffic of the Southern Pacific over this route you don't pay any more than if you were handling your traffic, do you?

A. No.

Q. And you wouldn't want to substitute your judgment for that of the shippers as to whether or not this is a disability, would you, sir?

A. No.

Q. Now, sir, you say that—and this is on page 14—you talk about the fact that Southern Pacific Company's schedules have been arranged to make the proper connections with your trains.

A. I didn't say anything about them being arranged. I said that—

Q. Well, they are today so set up.

A. The schedules are such.

Q. It would be possible, would it not, sir, to also cooperate with the Great Northern in establishment of schedules to handle traffic if it were to move in any substantial volume?

[fol. 368] A. Oh, I wouldn't know about that.

Q. You wouldn't be the proper man to determine that?

A. No.

Mr. Treanor: Your Honor, I am in a position here where I feel I must object to this witness' introduction of testimony as to the cost of handling the switch moves on the one hand between the Great Northern and the Union Pacific and the Southern Pacific with the Union Pacific because he has testified that he has no personal knowledge of the component parts of those figures.

Exam. Wright: Are you referring to the $3.25 item?

Mr. Treanor: Yes, sir.

Mr. Higgins: Mr. Examiner—

Are you finished, sir?

Exam. Wright: As I understand, he has just testified that is a charge that is made by this Terminal Company.

Mr. Hobbs: That is right.

Exam. Wright: I will let that stand. I assume the charge is made for all cars, no matter what line is involved.

The Witness: That is right.

Mr. Hobbs: That is it.

Exam. Wright: Does that conclude your cross?

Mr. Treanor: Yes, sir. I think Mr. Pfrommer has one.

Exam. Wright: All right.

By Mr. Pfrommer:

Q. I just wanted to ask one or two questions.

[fol. 369] Mr. Hardin, where you used the word "transfer" in your testimony, would you define that term, just to make sure that it is clear?

Does it include only those instances where the locomotive is actually pulling a load?

A. (No response.)

Q. Cars?

A. Do you mean switch engines, the locomotive handling the cutter car?

Q. Are light moves normally included in a count of transfer moves?

A. They are included in the transfer moves, but when I refer to transfers I refer to the times that the engines handle cars.

Q. On page 3 in your testimony, am I correct in saying that there were approximately 13 light movements between the Southern Pacific and the Union Pacific in each direction during the month of February 1961?

A. Yes, that is approximately. I can—

Q. All right. Am I correct in stating that your apparent scheduling of traffic between the Southern Pacific and Union Pacific is occasioned by the time that the traffic becomes available rather than any rigid time schedule?

A. That is right. There are not any defined schedules for transfer movement.

[fol. 370] Mr. Pfrommer: Thank you.

Exam. Wright: Is that all you have, Mr. Pfrommer?

Mr. Pfrommer: Yes, thank you.

Exam. Wright: Redirect?

OFFER IN EVIDENCE

Mr. Higgins: I have no redirect, and I offer Exhibit No. 27, sir.

Exam. Wright: Any objection to Exhibit No. 27?

Mr. Treanor: No, sir.

Exam. Wright: Exhibit No. 27 is received in evidence.

(Defendants' Exhibit No. 27, Witness Hardin, was received in evidence.)

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[fol. 372] PROCEEDINGS

Exam. Wright: Come to order, please.

Mr. Treanor, do you have your witness available today?

Mr. Treanor: Yes, sir, he is here.

Mr. Roeder.

G. E. ROEDER was duly sworn and testified as follows:

Exam. Wright: Be seated.

Mr. Treanor: Mr. Examiner, Mr. Roeder's statement is in prepared form, and copies were distributed to the parties yesterday.

I would like to request your permission to have him read this as his direct testimony.

Exam. Wright: Granted.

Direct examination.

The Witness: My name is G. E. Roeder. I am Secretary and Traffic Manager of Portland Produce Merchants Association, Inc. My address is 335 S. E. Morrison, Portland 14, Oregon.

I have worked in this office since 1918, and have been in my present position since 1925. My duties and responsibilities cover the handling of traffic matters for the membership, including the quotation of rates on fresh fruits and vegetables, auditing freight charges, making requests for improved services, et cetera, and generally representing the Association in other matters such as legislation. [fol. 373] The Association is a trade organization which was created around 1910. It serves as an association of wholesale distributors and brokers of fresh fruits and vegetables with offices and warehouses in the Portland, Oregon, area.

I am appearing in this proceeding because I feel we have been hurt by the failure of the carriers to publish the joint routes and rates via Bieber to and from points on the Union Pacific and Northern Pacific. The present restrictions on the final destinations of carload traffic moving from California hamper our efforts to divert this traffic to various destinations. A good example is potatoes originating on the Santa Fe in California and routed to Portland via Bieber. Those shipments cannot now be diverted to destinations on the Union Pacific or Northern Pacific because the through rate would not apply, and the resulting combination would be very high. This problem is a serious one to us. As a result, whenever, at the time of originating a shipment, the final destination is in doubt or on "rollers," we route them away from the Bieber route. This is an important consideration on the movement of Shafter District potatoes moving to the Pacific Northwest.

We have been satisfied with our service via the Bieber route whenever we have been able to use it. We feel that if the route were also available to the Union Pacific and Northern Pacific that it would materially benefit our Association. It would provide more expeditious routings and [fol. 374] provide more than route through this area. We desire the opportunity to use the Bieber Gateway, for example, to destinations in the Pacific Northwest north of Wishram, Washington. I believe that it would open up

many more markets to unsold cars moving over the Bieber route.

Mr. Treanor: That completes the direct examination of this witness.

Exam. Wright: Cross examination?

Cross examination.

By Mr. Burkett:

Q. Mr. Roeder, would you please amplify on this example of potatoes originating on the Santa Fe? To what destinations, for example, would you be interested in diverting such a car?

A. The firms which I represent distribute not only in the Portland area, but also distribute to major markets in the Pacific Northwest, such as Spokane, Walla Walla, Yakima, other points north of Portland.

Q. Well, now, if that shipment were routed by Portland, couldn't the car be diverted to Spokane?

A. It could.

Q. Is there any point in the Pacific Northwest to which you make shipments to which such a car could not be diverted if it were routed by Portland?

A. The point, as far as we are concerned, is that—

Q. Would you answer the question, please, yes or no.

[fol. 375] Mr. Treanor: I believe he is trying to answer it, Mr. Burkett.

A. (Continuing) —that there are many instances in which these cars are already rolling via the Bieber route, and when we have a market for them we have to determine first that they may go only to such points on the Great Northern where that is possible.

Mr. Burkett: Mr. Reporter, will you read the question, please.

Exam. Wright: The reporter will read the question.

(Question read.)

The Witness: If it were routed by Portland, yes, there are none that I know of.

By Mr. Burkett:

Q. There are no such points?

A. Yes, sir.

Q. Now, in addition to having the—strike that, please. When traffic is routed out of Bakersfield, by what carrier is it usually routed, by Southern Pacific Company or by the Atchison, Topeka & Santa Fe Railway Company?

A. By both.

Q. Isn't it a fact that if it is routed out of Bakersfield by the Santa Fe, that also you would have the same rates to points in the Pacific Northwest as if it were routed out by Southern Pacific?

Mr. Treanor: I object, just for clarification.

[fol. 376] Do you mean in that question when it is routed Santa Fe-Southern Pacific-Portland, or Santa Fe via the inside gateway? I would like to have that clarified, Mr. Examiner.

Exam. Wright: Can you rephrase the question?

By Mr. Burkett:

Q. If a shipment originates at Bakersfield by either Santa Fe or Southern Pacific, is it not a fact that you now have a full runout of rates to all destinations in the Pacific Northwest?

A. If routed by the Southern Pacific from Stockton, yes.

Q. And that is today you have two routes from Bakersfield, one the Santa Fe-Southern Pacific, and the other the Southern Pacific all the way to Portland?

A. Right.

Mr. Burkett: That is all I have.

Exam. Wright: Any further cross?

By Mr. Farrell:

Q. Mr. Roeder, I represent the Northern Pacific.

You are aware of the fact that the Bieber line has existed since 1931, are you not, some 30 years?

A. That is right.

Q. And all during that period of time you have been traffic manager for this association at Portland, have you not?

A. Yes.

Q. Have you ever in the entire 30 years ever made any request to the Northern Pacific that they enter into through [fol. 377] rates with the Great Northern and Western Pacific, via the Bieber Gateway?

A. Informally we have, because there have been instances where we have been definitely hurt by having cars already on the Western Pacific-Great Northern route.

I have in mind one in particular right now that was intended for Walla Walla. That is, it was rolling; it had no home at the time and could have gone to Walla Walla because there was a market for it.

The only alternative, since they needed a highly perishable commodity—

Q. That was a single carrier, Mr. Roeder?

A. One car.

Q. When did that occur?

A. Several years ago now.

Q. And did you ever, as a result of your problems with that car, ever make a written request to the Northern Pacific Railroad?

A. Only informally.

Q. Did you ever make a request to the North Pacific Coast Freight Bureau?

A. No.

Q. Normally, do you make such requests to the North Coast Freight Bureau, or the Railroads involved?

A. If we feel there is a possibility.

Mr. Farrell: No further questions.

[fol. 378] Exam. Wright: Any further cross?

(No response.)

Exam. Wright: Redirect?
Mr. Treanor: Just one question.

Redirect examination.

By Mr. Treanor:

Q. Mr. Roeder, would you like to make a request right now on this record?
A. I would.

Recross examination.

By Mr. Farrell:

Q. And you decided to come down here and testify after the Western Pacific contacted you and asked you if you would come down here and help them out in this case?
A. That was the first notice I had of the complaint.

Mr. Farrell: Thank you.
Exam. Wright: Thank you very much, Mr. Roeder, you are excused.

(Witness excused.)

Exam. Wright: That concludes your direct presentation, as I understand it.
Mr. Treanor: Yes, sir, it does.
Exam. Wright: Are the defendants ready to proceed?
Mr. Hobbs: Yes, sir. We call Mr. Evers, please.

C. W. Evers was duly sworn and testified as follows:

Mr. Hobbs: Mr. Examiner, there has been distributed [fol. 379] to all present here two exhibits which Mr. Evers will refer to.
The first one is headed, "Northbound Freight Train Schedules." Might it have a number for identification?

Exam. Wright: That will be No. 28 for identification.

Mr. Hobbs: The second exhibit is headed, "Southbound Freight Schedules," and I presume it will be No. 29.

Exam. Wright: 29.

(Defendants' Exhibits Nos. 28 and 29, Witness Evers, were marked for identification.)

Direct examination.

By Mr. Hobbs:

Q. Now, will you state your name for the record, please, Mr. Evers?

A. C. W. Evers.

Q. And what is your address?

A. 752 Pittock Block, Portland, Oregon.

Q. And by whom are you employed, Mr. Evers?

A. Union Pacific Railroad.

Q. And in what capacity?

A. Traffic manager for the Western District.

Q. And just what does that district embrace, what territory?

A. It embraces the territory covered by the complaint, except that the southern terminus of my territory is the Oregon-California line, extending northerly through Oregon, Washington, northern Idaho, British Columbia, the Provinces of Canada and Alaska.

[fol. 380] Q. And how long have you been employed by the Union Pacific?

A. Since 1914.

Q. And has all your experience been, with the Union Pacific, been in traffic matters?

A. Not entirely. Some of it has been in the operating department, and some in the transportation department. The greater portion, however, in the traffic department.

Q. And just briefly, would you outline your present duties?

A. It is supervision over freight and passenger rate sales and services of the Union Pacific Lines within the territory

described, and sales direction in the off-line territory included within the area assigned to me.

Q. Are you familiar generally, Mr. Evans, with the issues that are involved in this proceeding?

A. I am.

Q. And in connection therewith, have you prepared the exhibits which have been introduced and marked for identification Nos. 28 and 29?

A. I have.

Q. I wonder if you would proceed, then, please, and make such comments on those exhibits as you think is necessary.

A. Well, first let me say that the data shown on the two exhibits reflect the service that will be accorded under existing freight schedules of both the Southern Pacific, Union Pacific, of the direct Bieber route, and also of the [fol. 381] Bieber route in connection with the Union Pacific in the event the rates and routes sought in the complaint are granted.

For example, in referring to Exhibit No. 28, from Los Angeles to Baker, Oregon, the service which would be accorded on traffic moving in connection with the NCP, which operates daily, then, in connection with the Union Pacific's 198-CBX, would provide an elapsed schedule of 96 hours.

Q. When you refer to train NCP, by whom is that operated?

A. That is operated by the Southern Pacific.

Now, using the Bieber routes, SWG schedule from Los Angeles to Baker, the elapsed time would be 125 hours.

Now, we can take Seattle as another instance, using again the Southern Pacific's NCP from Los Angeles to Seattle, connecting at Portland with Union Pacific's No. 691, the elapsed time would be 67 hours 30 minutes.

Now, in connection with the Bieber route, SWG from the same points, the elapsed time via the Bieber route, Portland-Union Pacific would be 89 hours, whereas the elapsed time via the direct route of the Bieber route, Los Angeles to Seattle, would be 67 hours.

Q. And by that you mean in connection with the Great Northern, is that right?

A. Yes, sir. Now, let's take Spokane as an example.

Using the schedule of the Southern Pacific's OVE-RPS, to Portland, thence Union Pacific's No. 198, Portland to [fol. 382] Spokane, the elapsed time—I would like to make a correction.

The OVE-RPS operates from San Francisco and not Los Angeles so, therefore, the elapsed time, San Francisco to Spokane, would be 69 hours, and again using the Bieber route, SWG-San Francisco to Spokane, the elapsed time would be 97 hours; whereas, the Bieber route direct to Spokane, the elapsed time would be 63 hours.

Now, there are many similar situations which might be cited, but all of which will clearly indicate that the schedules of the Southern Pacific and Union Pacific are coordinated in order to provide the least possible dead time at Portland, whereas via the Portland Gateway, in connection with the Bieber route, there would be considerable dead time.

Q. Now, those trains of the Southern Pacific, Mr. Evers, to which you have referred, and the Union Pacific trains connecting with them, are those the trains that are used at the present time in moving traffic from California to the points that you have referred to?

A. Generally, yes, except, of course, there would be traffic handled on the other trains that do not operate daily.

For example, the Starpacer, which operates from Los Angeles via the Southern Pacific on Tuesday, Wednesday, Thursday and Friday and which, of course, connects with us at Portland, and in connection with that schedule it will be noticed the elapsed time is considerably less than that [fol. 383] which applies on traffic moving on the NCP, and our connections at Portland.

The same statements would apply, also, on traffic moving north from Oakland on the PCE, which operates via the Southern Pacific on Monday, Tuesday, Wednesday and Thursday. The Union Pacific schedules are daily.

Q. Now, does that complete your comments on Exhibit 28?

A. Yes.

Q. Now, those are all northbound freight train schedules, aren't they?

A. Yes, sir.

Q. Your Exhibit 29, as I understand it, refers to the southbound schedules?

A. That is right.

Q. Will you proceed and make such comment as you desire about those trains.

A. From Baker, Oregon to San Francisco, using existing service of the Union Pacific from Baker to Albina, connecting thence with the Southern Pacific's BAS, which operates daily, the elapsed time is 71 hours 30 minutes.

From Spokane, using the existing service of the Union Pacific to San Francisco, connecting at Portland with Southern Pacific's BAS, the elapsed time would again be 71 hours and 30 minutes, and to Los Angeles would be 89 hours.

Now, from Seattle, using Union Pacific Train No. 690, and connecting with the daily Advance, PNL, leaving Portland [fol. 384] at 5:00 p.m., the elapsed time to San Francisco would be 72 hours 30 minutes,—no, that is to Los Angeles.

Q. That is to Los Angeles?

A. Would be 72 hours 30 minutes.

To San Francisco, it would be 48 hours and 30 minutes.

Now, using the Bieber route, and the same Union Pacific trains, Baker to Oakland, connecting at Portland with the Bieber route's CAL, the elapsed time would be 74 hours.

From Seattle, using Union Pacific's No. 690, and also connecting that train—that train would not connect with the CAL but, instead, would connect with the GWS—the elapsed time would be 91 hours.

Many similar instances could be shown, and are shown on this statement reflecting again the fact that the Union Pacific-Southern Pacific schedules are coordinated in order to provide the minimum of dead time at Portland, whereas those of the Bieber route via Portland are not so coordinated.

Q. Now, Mr. Evers, on both of these exhibits I notice that you use as examples Baker-Spokane and Seattle. Why did you pick those particular points?

A. I selected Baker because that is a point local to the Union Pacific, and I selected Spokane and Seattle because those points are competitive with the Great Northern Bieber route, and obviously because of the much faster time applied to, or from Spokane or Seattle in connection with the Bieber route.

[fol. 385] Number one, it is decidedly doubtful if any traffic could be secured for movement via the Bieber route Portland, thence up to those points and, secondly, certainly with the knowledge which the Great Northern would have of such traffic, it is to be expected that they would very actively endeavor to influence such traffic away from the Union Pacific and to the Great Northern.

Q. Well, now, Baker is located on the main line of the Union Pacific east of Portland and also east of Oregon Trunk Junction.

A. Right.

Q. Isn't it?

A. Right.

Q. Now, would approximately the same elapsed time apply to other points east of Portland on the Union Pacific?

A. Yes, east of Portland, and also east of Portland and north of Hinkle, Oregon, to such destinations as Yakima and Walla Walla, and Lewiston.

Q. My attention has been called, Mr. Evers, on Exhibit No. 28, opposite the designation, "Arrived Baker, UP IDS, 8:00 p.m." Do you see that?

A. Arrive Baker?

Q. Yes.

A. That is UP IDS at 8:00 a.m.

Q. It is under NCP on the exhibit?

A. That should be 8:00 a.m.

[fol. 386] Exam. Wright: It is under the column NCP on the first page?

The Witness: Yes, under Column NCP, that arrival should be 8:00 a.m. (5).

By Mr. Hobbs:

Q. The (5) is correct?
A. The (5) is correct.

Exam. Wright: The exhibit will be so corrected.

By Mr. Hobbs:

Q. Do you have any further observation to make with respect to the two exhibits, Mr. Evers?
A. I think not.

Mr. Hobbs: That concludes the direct examination.
Exam. Wright: Cross-examination.

Cross examination.

By Mr. Treanor:

Q. I am assuming, Mr. Evers, that since that was obviously a typographical error, there is no change in the elapsed time that you show?
A. That is right.
Q. I think you made it very clear in your testimony that what you have shown here are only the existing schedules.
A. That is right.
Q. And the way the traffic is actually handled today.
A. Right.
Q. Now, can you tell us the proportion of traffic that moves over the Southern Pacific through Portland in connection with your line, as opposed to what comes to you [fol. 387] over the Bieber Gateway?
A. Well, it would be very close to 100 per cent.
Q. 100 per cent goes—
A. In favor of the Southern Pacific.
Q. So that your schedules today are set up in recognition of that fact?
A. I wouldn't say in recognition of that fact, but I would say that the information shown on my two exhibits reflect the service that is accorded under existing schedules.

Q. If you have an occasion to get some traffic over the inside gateway, you will make the necessary changes to provide an equivalent service?

A. You mean the Union Pacific would change its schedules?

Q. That is what I am asking you.

A. Why should we change our schedules?

Q. I don't know.

A. My answer would be that you folks would deliver the traffic to us to make our schedules.

Q. And you would not cooperate?

A. I didn't say that.

Q. Well, would you cooperate?

A. I don't think we should be expected to change our schedules.

Q. I am just asking you.

A. That is my answer.

Q. All right. I will let the record stand on that.

[fol. 388] Now, let me ask you this. Your Exhibit No. 28 showing the Bieber route shows an elapsed time to Seattle from Los Angeles of 67 hours.

A. That is right.

Q. As opposed to 67 hours 30 minutes from Los Angeles to the same point on the Southern Pacific.

A. That is right.

Q. Now, Seattle, of course, is a point served by the Great Northern.

A. That is right.

Q. And traffic is presumably moving via the inside gateway all the way to Seattle on the Great Northern.

A. Are you asking me that question?

Q. I am asking you.

A. Yes.

Q. Do you know?

A. Yes.

Q. So that where there is traffic, the schedules have been made competitive, is that right, sir, so far as the shipper is concerned?

A. (No response.)

Q. You have already indicated the Union Pacific may not be interested in cooperating, but I am talking about where the shipper is concerned, and cooperating carriers can put in the schedules.

[fol. 389] A. We have made our schedules to conform with the schedules of the Southern Pacific. Since there is no traffic of any consequence whatever coming to us at Portland from the Bieber route, obviously we have no schedule set up with the Bieber route.

Mr. Treanor: Thank you.

By Mr. Pfrommer:

Q. Mr. Evers, on your Exhibit 29, who operates the Train GWS, what railroad?

A. That is your Bieber route.

Q. All right, who operates the trains?

A. Well, it operates, if it is going to Los Angeles, Great Northern-Western Pacific-Santa Fe. It is going to Oakland, Great Northern-Western Pacific.

Q. Well, I am just seeking to be sure that the record is straight. Under the third column, from the route, in other words, under the UP heading, is GWS, and it is not headed "Bieber," so I just wanted to make sure it is clear.

A. The same response would apply also to the CAL, because that is also a Bieber route train.

Q. What does the symbol TFC stand for?

A. Trailer freight.

Q. That is the Union Pacific train, isn't it?

A. No, sir, that is a Southern Pacific train.

Q. And SPC stands for Starpacer?

A. Which train?

[fol. 390] Q. SPC.

A. Why, no, that is a trailer freight special.

Q. SPC stands for special, then?

A. That is right.

Q. Is that a different train than the Starpacer?

A. Yes, because the Starpacer operates northbound, while this train operates southbound.

Q. But except for the direction of movement, they offer the same type of service?

A. The Starpacer operates between Los Angeles and Brooklyn, and the TFC special operates between Portland and Los Angeles, yes.

Q. So it is the same train operating in reverse direction?

A. Yes.

Q. And that is a piggyback train?

A. Yes.

Q. Who operates the train PNL?

A. On what exhibit?

Q. 29.

A. The Southern Pacific.

Q. Are there any restrictions as to the type of freight that will be handled on the destination to which their freight must be going?

A. Well, all I can do in answering that question is refer to the Southern Pacific's manifest train schedule No. [fol. 391] 19, and I think that question should properly be asked of the Southern Pacific.

Q. Well, it was on your exhibit, so I want to know. I want you to go ahead and answer.

A. Yes, there are certain restrictions as to the traffic that will be handled on that train.

Q. What are the restrictions as to destinations of the traffic?

A. The advance PNL operates from Portland through to Los Angeles with traffic destined points on the Los Angeles division, including connections.

Q. All right. The same type of restriction applies to the train PNL, doesn't it?

A. (No response.)

Q. The same restrictions as you read about the Advance PNL?

A. Yes.

Mr. Pfrommer: Thank you. That is all, thank you.
Exam. Wright: Any further cross?

(No response.)

Exam. Wright: Redirect?
Mr. Hobbs: None.

OFFERS IN EVIDENCE

We offer Exhibits 28 and 29, Mr. Examiner.
Exam. Wright: Any objections?
Mr. Treanor: No.
Exam. Wright: Exhibits 28 and 29 are received in evidence.

[fol. 392] (Defendants' Exhibits Nos. 28 and 29, Witness Evers, were received in evidence.)

Exam. Wright: Thank you very much, Mr. Evers, you are excused.
The Witness: Thank you.

(Witness excused.)

Mr. Farrell: We call as our next witness Mr. L. S. Davis.

L. S. DAVIS was duly sworn and testified as follows:

Exam. Wright: Off the record.

(Discussion off the record.)

Exam. Wright: On the record.
Mr. Farrell: Mr. Examiner, if we may proceed, this witness has a prepared statement and three exhibits.
The first exhibit is marked for identification, "(LSD-1)". We ask that be given the next exhibit number, which I believe will be 30.
Exam. Wright: That will be Exhibit 30.
Mr. Farrell: The second exhibit is also marked, "(LSD-2)".
Exam. Wright: That will be No. 31 for identification.

Mr. Farrell: And the third is an exhibit consisting of a number of pages marked "(LSD-3)".

Exam. Wright: That will be Exhibit No. 32 for identification.

(Defendants' Exhibits Nos. 30, 31 and 32, Witness Davis, were marked for identification.)

[fol. 393] Mr. Farrell: Now, Mr. Examiner, we request permission to have the witness read his prepared statement into the record, and it will be supplemented by additional questions.

Exam. Wright: I am just wondering, you have additional direct besides the statement?

Mr. Farrell: Yes, I do.

Exam. Wright: This is a 19-page statement, as I see it, and I am wondering if we might not save time by giving Mr. Treanor and other counsel an opportunity to read this while we are in recess, and have the statement entered into the record the same as if read.

That is a lot of reading. I am just suggesting it.

Mr. Farrell: I appreciate that, Mr. Examiner. I certainly don't want to impose upon you or any of the rest of the parties. I do feel that the statement ought to be read. Our next witness is a short witness, and I think we will finish up in pretty good shape today.

Exam. Wright: Very well, the witness is given permission to read the statement into the record.

Mr. Farrell: Thank you, Mr. Examiner.

The Witness: May I proceed?

Exam. Wright: Yes.

Direct examination.

The Witness: My name is L. S. Davis, and I am General Freight Agent of the Northern Pacific Railway with offices [fol. 394] at Seattle, Washington. I am in charge of Rates and Divisions for the Northern Pacific Railway Company in the territory involved in this proceeding. I have been in continuous railroad service in the Pacific Northwest or

California since January 1918 except for a period of slightly over four years spent in the Army during World War II. I have been in my present position since July 1, 1955 and have previously appeared before this Commission on many occasions.

I would like first to briefly outline some historical facts pertaining to the Northern Pacific Railway in the Pacific Northwest.

In 1870, our predecessor Company, the Northern Pacific Railroad Co., started construction of a line from Kalama, Washington, extending north to connect with its other lines at Tacoma, Washington. This line, which was completed about three years later, provided the Northern Pacific with its first access to Portland, Oregon, through the medium of boat service on the Columbia River between Kalama, Washington and Portland, Oregon. In 1883, construction was started on a line from Portland to Goble, Oregon and, with the completion of this project in 1884, the Northern Pacific had direct rail access to Portland, Oregon with the Tacoma-Kalama line and the Portland-Goble line being connected with a ferry boat operation between Goble and Kalama. The line from Portland to Goble, Oregon is now operated as a part of the Spokane, Portland and [fol. 395] Seattle Railway System. Subsequently, rails were extended south of Kalama to Vancouver, Washington and, in 1908, the Columbia and Willamette Rivers between Vancouver, Washington and Portland, Oregon were bridged which provided the Northern Pacific with direct rail access to Portland, Oregon.

At this time, several segments of the Spokane, Portland and Seattle Railway System were under construction and that line was completed from Portland to Spokane in 1909. Prior to the completion of the SP&S, all traffic moving between Portland, Oregon and points south, including California, and stations on the Northern Pacific in Washington, Oregon and northern Idaho was handled over the line of the Northern Pacific extending north of Portland, Oregon via Goble, Oregon and Kalama, Washington, thence via the

red line from the latter point as shown on Exhibit LSD No. 31.

Following the completion of the SP&S in 1909, that line was established as an alternate route for the handling of traffic between Portland and points on the Northern Pacific Railway Company in Washington east of the Cascade Mountains, Oregon, northern Idaho and east with interchange between the two lines being effected at Pasco and Spokane, Washington. Utilization of the SP&S water-grade route in the handling of traffic between Portland and points on the NP east of Yakima, Washington and south and east of Pasco, Washington resulted in certain economies and more expeditious service as related to the longer [fol. 396] route of the Northern Pacific extending north from Portland to Auburn, Washington and thence east.

It has long been the policy of the Northern Pacific to establish joint rates with the SP&S. At the present time, the NP maintains a complete line of joint rates with the SP&S between Portland and points on the NP, Yakima, Washington and east via Pasco or Spokane, Washington. This rate coverage is also extended to the connecting line of the Southern Pacific at Portland, Oregon. Thus, the SP&S is utilized in the handling of traffic between points on the SP in Oregon, California, Arizona, et cetera, and points on the Northern Pacific Railway, Yakima, Washington and east.

Before going into a description of the route of the "Inside Gateway" between California and the Northwest, I would like to present a few historical facts about certain portions of that line.

In Finance Docket No. 14392111, ICC 3 decided May 3, 1926, the Commission authorized the Oregon Trunk to construct a line of railroad south of Bend, Oregon into Klamath County. Subsequently, in the Third Supplemental Report 138 ICC 99, Finance Docket Nos. 6382, 6384 and 6385, the Commission permitted the Great Northern Railway Company to take over the obligation of the Oregon Trunk for this construction and also found that public

convenience and necessity required the operation of the Great Northern over the track of the SP&S between Fort [fol. 397] Wright Junction, Washington (in close proximity to Spokane, Washington) and Vancouver, Washington and also over tracks of the Oregon Trunk Railway between Wishram, Washington and Bend, Oregon.

Under the terms of a contract, the SP&S and OT Railways agreed to handle traffic of the Great Northern over their lines between the points previously named.

Mr. Treanor: At this point I would like to interrupt, not to make an objection, but this contract will be available if we need it, is that correct?

Mr. Farrell: I simply want the Commission to understand the basic facts. If there is some information that is needed here, counsel, I think we can supply you with it, but I certainly don't intend to put the contract in evidence at this point unless demand is made for it.

Mr. Treanor: Well, he is proceeding to give some more testimony, Mr. Examiner, and I don't know how far he is going to go, to give his impressions of this contract, and I would like to know if the contract will be available for me in case I want to take him on that.

Mr. Farrell: I have the contract here available, counsel.

Exam. Wright: Very well, proceed.

The Witness: This arrangement is subsequently described as a "car-haul contract," and it did not involve the participation of the SP&S or OT Railways in the rates as [fol. 398] such nor divisions thereof. Authorization was also given the Great Northern for operation over the Southern Pacific between Chemult and Klamath Falls, Oregon.

In Finance Docket No. 7439 decided June 9, 1930, 166 ICC 3, the Commission authorized an extension of the Great Northern line south of Klamath Falls, Oregon to meet a proposed extension of the Western Pacific north of Keddie to Bieber, California which was also authorized in the same report in Finance Docket No. 7440. The extension of these lines resulted in establishment of the so-called "Inside

Gateway" which is shown on Exhibit LSD No. 30 in green with the yellow line of the Oregon trunk and SP&S Railways being employed under the car-haul contract by the Great Northern to reach its connections with the SP&S at Vancouver and Fort Wright Junction, Washington.

Traffic moving via the "Inside Gateway" between California and Spokane is handled east of Wishram, Washington over the SP&S under the car-haul contract for a distance of 271 miles. The distance from Wishram to Spokane via Vancouver and Everett, Washington over the line of the GN is 600 miles or 329 miles greater than the service route used east of Wishram to Spokane, Washington previously mentioned.

The route sought in this complaint would involve a movement of 106 miles west of Wishram, Washington over the yellow line to Portland, Oregon and 533 miles over the red [fol. 399] line of the Northern Pacific as shown on Exhibit LSD No. 31 to Spokane, Washington or a total distance of 639 miles as contrasted with a distance of 271 miles east of Wishram over the yellow line to Pasco, Washington, thence over the red line of the Northern Pacific to Spokane. Thus, the route sought in this complaint via Portland, Oregon to Spokane, Washington is 368 miles longer than the route east of Wishram to Spokane, Washington.

A carload of freight moving from San Francisco, California to Walla Walla, Washington, for example, via the route sought in this complaint would travel over the green line to Portland, Oregon shown in Exhibit LSD No. 30, thence via the red line to Auburn, Washington and east thereof via Pasco to the destination Walla Walla, Washington. It will be noted from Exhibit LSD No. 32, page 3, that the distance via this route is 1339 miles as compared with a distance of 1014 miles over the blue line of the SP to Portland, Oregon, the yellow line of the SP&S to Pasco and the red line of the NP to Walla Walla, Washington. The distance from San Francisco, California to Walla Walla, Washington via the SP to Portland, Oregon, thence over the red line of the NP through Auburn and Pasco is

1170 miles. I would also like to point out another route from San Francisco, California to Walla Walla, Washington via the green line to Bend, Oregon, thence the OT-SP&S yellow line to Pasco and the red line of the NP to Walla Walla, Washington, a distance of only 971 miles or 368 miles less than the route sought in this complaint via [fol. 400] Portland, Oregon.

By Mr. Farrell:

Q. Now, Mr. Davis, the complainant has not sought routes on that basis in this complaint, has it?

A. No, it has not.

Mr. Treanor: That is his impression.

By Mr. Farrell:

Q. This is your impression from the routes sought in the complaint?

A. Yes.

A car moving from San Francisco, California to Shelton, Washington under the route sought in this complaint via Portland, Oregon would travel a distance of 1039 miles as compared with a distance of 870 miles via the SP-NP route and 1019 miles via WP-GN-Bend, Ore.-OT-SP&S-Vancouver, Washington, thence NP as shown on page 1 of Exhibit LSD No. 32.

Exhibit LSD No. 32 contains many similar examples. I have merely selected Shelton, Washington as a representative point on the NP in Washington west of the Cascade Mountains and Walla Walla and Spokane, Washington as representative of the situation in eastern Washington, Oregon and northern Idaho.

It has been the policy of the NP to confine its participation in rates between California and the Pacific Northwest area involved in this proceeding to the Portland, Oregon route of the Southern Pacific. A few exceptions have been made to this policy which are as follows:

Pacific Southcoast Freight Bureau Tariff 1016, ICC No. [fol. 401] 1590, of W. O. Gentle, Tariff Publishing Officer, contains a complete line of class rates between points served exclusively by the Western Pacific and its subsidiary lines and points on the Northern Pacific in the area involved in the complaint. Routing published in connection with these class rates is via WP-Bieber-GN-Bend-Oregon Trunk-Wishram-SP&S-Vancouver, Washington-NP to points west of Easton, Washington. To points Easton, Washington and east, routing is provided via SP-GN-Bend-OT-Wishram-PS&S-Pasco-NP. This results in breaking the routes as between Vancouver and Pasco, Washington at the summit of the Cascade Mountains, thus utilizing each gateway to its best advantage in the interest of economical and efficient transportation. These routes enable class-rated traffic to move over the shortest possible routes obtainable in connection with the Western Pacific through Bieber, California.

Q. Mr. Davis, could you locate Easton, Washington on your Exhibit No. 31?

A. Following the red line from Auburn, going east through Palmer Junction, to Lester, Easton is the next station.

Q. Thank you.

A. The NP also joined the so-called "Inside Gateway" in rates on iron and steel pipe from Decoto, California (Decoto is also served by the SP but industry located on WP and no interchange at this point) and points in the Pacific Northwest.

The NP also participates in rates via the "Inside Gate-[fol. 402] way" on motor vehicles and related articles from Oakland and Decoto, California to points in Washington and northern Idaho embraced by the complainant.

These rates are published in Pacific Southcoast Freight Bureau Tariff No. 1-S, ICC No. 1352, of W. O. Gentle, Tariff Publishing Officer.

The Northern Pacific also concurred in piggyback rates on automobiles from Decoto and Melrose, California to

Seattle, Renton, Pasco and Spokane, Washington via the "Inside Gateway." These rates are published in Pacific Southcoast Freight Bureau Tariff 297-D, ICC No. 1678, of W. O. Gentle, Tariff Publishing Officer. The routing in connection with the pipe and automobiles just previously mentioned is via WP-GN-Portland, thence NP.

In Pacific Southcoast Freight Bureau Tariff No. 220-D, ICC No. 1514, of W. O. Gentle, Tariff Publishing Officer, rates are carried on livestock between points on the WP and connections on the one hand and points on the NP and connections on the other hand in the states of Washington, Oregon and Idaho. From the area Yakima, Washington and east, except Pasco, routing is published via NP-Pasco-SP&S-Wishram-OT-Bend-GN-Bieber-WP or WP and connections. In connection with stations Yakima, Washington and west, routing is provided via NP-Portland-GN-Bieber-WP or WP and connections.

In the period of almost six years that I have been in [fol. 403] charge of rates in the Seattle office of the Northern Pacific Railway Company, I have been directly associated with the handling of several thousand shipper proposals for rates between points in California and the Pacific Northwest. To the best of my knowledge and recollection, my Company has been presented with only one shipper application for rates in connection with the Western Pacific and this single proposal was handled to the satisfaction of the shipper.

The Northern Pacific has been ready and willing to join the Western Pacific in rates involving local points on the line of the latter and, as a matter of fact, a few such rates outside of the area of this complaint, have been established for the purpose of permitting shippers situated locally on the WP to reach markets on the Northern Pacific Railway. In general, and with few exceptions, we have refrained from making rates via the "Inside Gateway" where the points in California are competitive with the Southern Pacific Company. One of the reasons the Northern Pacific has taken this position is the fact that one of its strongest competitors in the Northwest, the Great Northern Railway

Company, is a participant in the "Inside Gateway" and information concerning any competitive traffic we might handle via that route would immediately become available to our competitor for solicitation of future movements. In the Southern Pacific, we have a connection which is not involved in transportation north of Portland, Oregon, and [fol. 404] consequently, the route of that Company does not present the same competitive disadvantages to us as prevails in connection with the "Inside Gateway."

The Spokane, Portland and Seattle Railway, which, in turn, owns the Oregon Trunk and Oregon Electric Railways, is owned jointly by the Northern Pacific and Great Northern and is under the common management and control of those lines. See Chicago, Milwaukee, St. Paul and Pacific Railroad Company v. Spokane, Portland and Seattle Railway Company 300 ICC 453.

As I have previously mentioned, traffic of the "Inside Gateway" is bridged over the line of the Oregon Trunk from Bend, Oregon to Wishram, Washington, thence over the SP&S to Spokane or Vancouver, Washington under a car-haul contract. There is also a contract in effect between the Great Northern and SP&S for the handling of traffic between Vancouver, Washington and Portland, Oregon which, when coupled with the previously mentioned contract, enables the Great Northern to handle "Inside Gateway" traffic between Bend and Portland, Oregon over the rails of the OT and SP&S.

I have previously pointed out the circuity of the route sought in this complaint via Portland, Oregon to points east of the Cascade Mountains where, to Walla Walla, Washington, the distance is 368 miles greater than the OT-SP&S-Pasco-NP route and 325 miles greater than the SP-SP&S-Pasco-NP route. The "Inside Gateway" route via Portland, Oregon thence NP would require the NP to handle [fol. 405] all traffic over this circuitous route which involves crossing the Cascade Mountains at an elevation of 2,837 feet. The Northern Pacific would not have any escape from handling traffic via the proposed circuitous route as is

the case in connection with the route of the Southern Pacific to Portland where the economical and shorter water-grade route of the SP&S can be, and is, extensively employed for the handling of traffic between Portland, Oregon and Pasco, Washington for delivery to or receipt from the NP under joint through rates from which the SP&S is compensated by a division proportioned to the service performed.

As a matter of fact, many shippers specify SP&S routing on their bills of lading for service or other reasons and the Operating Department of the Northern Pacific has issued instructions that traffic brought into Pasco, Washington for movement beyond to California shall be turned over to the SP&S at that point for handling to Portland and delivery to the SP rather than move it via our longer route through Auburn, Washington and thence to Portland, Oregon. The principal exceptions to this rule are cars accorded a transit privilege at some point on the NP between Pasco, Washington and Portland, Oregon or when the shipper specifically requests the use of the longer route. A relatively few cars fall within the scope of these exceptions.

Even if the SP&S were included as a participating car-
[fol. 406] rier in the route via WP-GN-Portland-SP&S-Pasco-NP, it would be necessary to perform wasteful service in the amount of 212 miles which represents the round-trip mileage Wishram, Washington to Portland, Oregon and return. In other words, before advancing the movement of a car one mile east of Wishram, it would have to be hauled in the opposition direction for 106 miles and returned the same distance for a total of 212 miles.

It is readily apparent that service over a route having excessive circuity is inferior to that provided by a short route and, as illustrative of this situation—

Mr. Treanor: Mr. Examiner, I would just like to note for the record that I would like to record an objection to the argument Mr. Davis is making about whether the so-called routes are obviously inferior, et cetera.

Exam. Wright: Your objection is noted.

Mr. Farrell: I think this gentleman is an expert witness, Mr. Examiner. I think he is expressing his opinion.

Mr. Treanor: I just noted my objection, Mr. Examiner.

Mr. Farrell: I just noted my opinion, also.

Exam. Wright: Proceed.

The Witness: (Continuing) —I cite the following examples of service:

A car moving from Los Angeles to Lewiston, Idaho via SP-Portland-SP&S-Pasco-NP would leave origin at 8:10 [fol. 407] a.m., Monday, and arrive Lewiston 3:15 a.m., Friday, and a car moving via the same route to Walla Walla would receive the same service except it would arrive at destination at 7:00 a.m.

Service via the route of the Southern Pacific to Portland thence NP through Auburn and Pasco, Washington to Lewiston and Walla Walla is 24 hours longer than via the route just previously mentioned which would result in cars arriving on Saturday instead of Friday. Service via the "Inside Gateway" over the Portland, Oregon route sought in this complaint from and to the same points just mentioned would also be subject to a greater transit time of 24 hours than is available via the SP-SP&S-NP route.

Service from Los Angeles to Walla Walla, Washington and Lewiston, Idaho, via the "Inside Gateway" to Bend, thence OT-Wishram-SP&S-Pasco-NP would, under favorable conditions, be 24 hours less than the present SP-SP&S-NP schedule which would result in a Thursday morning arrival at Walla Walla, Washington and Lewiston, Idaho on a car leaving Los Angeles, California Monday morning.

In other words, service via the latter route could produce a saving of two days' transit time under the route proposed in this complaint. In no case would the time saving be less than 24 hours. Service from San Francisco would be on a basis related to that just described from Los Angeles, California.

[fol. 408] My previous remarks about circuitous distances and service under the route via Portland, Oregon proposed in this complaint have been confined to a few points but

they are representative of the wasteful and uneconomical transportation practices which would generally prevail in the area served by the Northern Pacific east of Yakima, Washington if the route sought in this complaint were established.

Mr. Treanor: Mr. Examiner, may I have a continuing objection to this so I won't have to—

Exam. Wright: You may.

The Witness: An example of the utilization of short and economical routes is demonstrated in connection with rates between points in California and stations on the SP&S via the "Inside Gateway" in which the OT and SP&S participate in divisional allowances rather than handling the traffic under the previously mentioned car-haul contracts. A typical example is South Cheney, Washington, which the SP&S reaches by performing 254 miles of service east of Wishram, Washington. To reach Cheney, Washington, an adjacent community on the Northern Pacific where an important industry, namely, a flour mill, is located, which could be expected to use the sought route, the complaint would require the performance of 106 miles of service, Wishram, Washington to Portland, Oregon over the SP&S for account of the Great Northern and 516 miles of Northern Pacific service from Portland to Cheney, Washington [fol. 409] or a total of 622 miles which is 368 miles more service than performed by the SP&S to reach this immediately adjacent community.

Another example of wasteful and uneconomical service which would be required under the complaint is illustrated at Kennewick, Washington where the SP&S has 123 miles of service to perform east of Wishram. To reach Richland, Washington, a point on the NP where the Atomic Energy Commission maintains a large and important plant and which is in close proximity to Kennewick, Washington, the route via Portland, Oregon proposed in the complaint would require 505 miles of service from Wishram, Washington via Portland, Oregon and Auburn, Washington.

Even if the complainant sought an alternate route such as is provided in connection with the SP which would include service of the SP&S from Portland, Oregon to Pasco, Washington and thence NP to Richland, a direct out-of-line haul from Wishram, Washington to Portland, Oregon and return to Wishram, Washington of 212 miles would occur over and above the direct route east of Wishram, Washington via the SP&S to Pasco—thence NP to Richland, Washington. These illustrations again are typical of the wasteful, uneconomical and discriminatory situations which would be set up in the general territory of the Northern Pacific Railway, Yakima, Washington and east if the Commission should render a decision in this case favorable to the complainant.

[fol. 410] Turning to the territory west of the Cascade Mountains and again using Shelton, Washington as an example, the complainant would require cars to be handled out-of-line from Vancouver, Washington to Portland, Oregon and returned back through Vancouver, Washington, an out-of-line distance of 20 miles for furtherance to Shelton, Washington over the Northern Pacific.

While the out-of-line distance is shorter than the illustrations used east of the Cascade Mountains, the out-of-line haul of 20 miles does represent costly and wasteful transportation.

Due to the substantial bridge mileage involved in the Portland-Vancouver segment of the SP&S, this is one of the most costly pieces of railroad mile for mile ever constructed in the West. In recognition of this expensive piece of line and the terminal situation in Portland, Oregon, the SP&S receives extra compensation in the form of a terminal deduction on traffic handled from, to or through Portland, Oregon, under joint through rates.

Mr. Treanor: At this point I would like to enter an objection, Mr. Examiner.

I don't believe Mr. Davis has yet established his qualifications for giving all of this detailed information about the problems of the SP&S.

The Commission, of course, is well aware of the owner-
[fol. 411] ship of the SP&S, but I don't know as Mr. Davis is qualified to do this.

By Mr. Farrell:

Q. Mr. Davis, will you state your employment with the SP&S, if any?

A. I spent 30 years with the SP&S and Oregon Trunk Railways.

Q. And what position did you hold during that period of time?

A. Oh, I held a number of positions. I was in the operating department, various positions.

I was in the traffic department, traveling freight agent, city freight agent, handled rates and divisions, and general matters pertaining to traffic.

Mr. Treanor: Is that the end of the qualification? He didn't say whether he works for them now.

Mr. Burkett: What has that got to do with it?

Mr. Treanor: I think it has a lot to do with it.

By Mr. Farrell:

Q. When did your employment commence?

A. In January 1918.

Q. And you worked until when?

A. April 16, 1948.

Q. And what position did you assume at that time?

A. With the Northern Pacific?

Q. Yes.

A. Assistant general freight agent.

Q. And in your present capacity, do you have occasion to work with the SP&S?

[fol. 412] A. I do frequently.

Q. And that is true right up to the present day?

A. That is correct.

Mr. Farrell: I submit this witness is eminently qualified, Mr. Examiner.

Mr. Treanor: Mr. Examiner, he may be qualified on certain factors, but he is not qualified on the basis of having worked for them continually until 1948, and then associated with them for the last few years, to put in this type of detailed testimony.

And, furthermore, I will withdraw my objection if you will agree his testimony is confined to prior to 1948.

By Mr. Farrell:

Q. Mr. Davis, are you presently familiar with the conditions on the SP&S Railway?

A. I am.

Q. Do you presently work with the establishment of rates?

A. Yes, sir.

Q. And is their rate policy carried on in conjunction with your office?

A. It is.

Q. And are you also generally familiar with operations on that railroad?

A. In a general way, yes.

Q. And in your opinion has this materially changed in any way since 1948?

[fol. 413] A. No.

Mr. Farrell: May the witness proceed, Mr. Examiner?

Mr. Treanor: Well, I would like to continue my objection, sir. I don't believe that that qualifies that man to give this kind of information.

Exam. Wright: Is your objection directed mainly to this testimony about extra compensation?

Mr. Treanor: Yes, sir, and all through his testimony he gets into the problems of the SP&S and their monies and their operating difficulties, and I don't think he is qualified to do it.

Exam. Wright: Well, I gather—are you testifying from your personal knowledge?

The Witness: Yes, I am, Mr. Examiner.

With respect to this extra compensation that is published in a division sheet.

Exam. Wright: I will overrule the objection. Go ahead.

The Witness: In recognition of this expensive piece of line and the terminal situation in Portland, Oregon, the SP&S receives extra compensation in the form of a terminal deduction on traffic handled from, to or through Portland, Oregon, under joint through rates.

It is over this segment of line that the complainant would require the performance of 20 miles of out-of-line service in order to reach all stations on the Northern Pacific [fol. 414] Railway west of the Cascade Mountains.

I have previously mentioned the joint ownership and common management and control of the SP&S and Oregon Trunk by the Great Northern and Northern Pacific Railways. My Company takes the position that on any Northern Pacific traffic on which the lines of the OT and SP&S are used to perform intermediate service between the Great Northern at Bend on the one hand and, on the other, Vancouver, Washington, Portland, Oregon, Pasco or Spokane, Washington, the OT and SP&S should participate in the rates on a normal division basis. The complainant in this case has never sought to establish rates on such a basis.

The revenue derived by the SP&S and OT for the handling of "Inside Gateway" traffic under the car-haul contract is low as a consequence of being related to out-of-pocket costs.

Mr. Treanor: At this point I must register an objection to Mr. Davis talking about the out-of-pocket costs of the SP&S and the OT on the basis of the foundations laid for his knowledge of this type of information.

I am not pressing the objection as to whether he should be allowed to talk about them generally, but this even goes beyond that, Mr. Examiner. Now he is getting into the costs of these carriers.

By Mr. Farrell:

Q. Mr. Davis, as I understand it, you have been engaged in railway service in the Pacific Northwest, with [fol. 415] the exception of your four years in the Army, since the year 1917.

A. 1918.

Q. And during the four years in the Army what field of work were you engaged in?

A. Transportation.

Q. And what rank did you hold in the Military service?

A. My final rank was Lt. Colonel.

Q. And as such, have you had occasion to become familiar, in the course of your present duties with the operation and costs in a general way in the making of rates and divisions?

A. In a very general way.

Q. And what is the territory with which you are presently responsible for so far as Northern Pacific Railway is concerned?

A. The territory starting at the Idaho-Montana border, and west, with some responsibilities in Montana, also.

Q. And are you responsible within this territory for the Northern Pacific, for the establishment of rates, and also for the establishment of divisions?

A. That is correct.

Mr. Farrell: May the witness continue, Mr. Examiner?

Exam. Wright: I am going to strike that portion of his testimony, which is the first sentence in the last paragraph on page 18, beginning, "The revenue derived," and ending with "to out-of-pocket costs."

[fol. 416] The Witness: Where does that start?

Mr. Farrell: The first sentence, last paragraph, page 18.

Exam. Wright: That is right.

The Witness: Yes.

By Mr. Farrell:

Q. Will you proceed, then, with the second sentence in the last paragraph, page 18.

A. Compensation under the car-haul contract does not vary with the value of the service rendered as is the case with a division of a rate based upon that principle. Consequently, it does not contribute to the revenue needs of the carriers involved to the same extent as would a division of a joint through rate.

It is the position of the Northern Pacific that Commission approval of the rates sought in this complaint would not only discriminate against the Northern Pacific by failure to allow long-haul over lines in which we have common ownership, management and control, but it would also require the Northern Pacific Railway Company, in common with the Great Northern and SP&S Railways, to perform uneconomic, inefficient and wasteful transportation.

The Commission's attention is again invited to the fact that shipper applications, of which there have been a negligible number in the past, have been satisfied and it is the intention of the Northern Pacific Railway Company to continue this practice in the future.

[fol. 417] Q. Mr. Davis, in view of your description of the routes, do you have an opinion as to the effect of routing on traffic in the event these rates are established to common points served by the Great Northern and Northern Pacific Railroad?

A. Yes, our service to Spokane is an illustration which would run up to 48 hours longer than the service of the Great Northern east of Wishram, over the SP&S to Spokane.

Q. Would there be—excuse me, does that complete your answer?

A. Yes.

Q. Would there be any way that our company could equalize that service disability as you see it?

A. There is no way that I know of that we could possibly equalize it because we would still have to haul the cars over this circuitous distance, and that takes time.

Q. What effect would this have upon the choice of routing so far as our handling business into those points?

A. We would have no choice of routing.

Q. No, that isn't my question.

Mr. Farrell: Mr. Reporter, will you read my question?

Exam. Wright: The reporter will read the question.

(Question read.)

By Mr. Farrell:

Q. If that isn't clear, let me state it this way.

In your opinion, Mr. Davis, would the establishment of routes via the inside gateway result in additional business [fol. 418] to our company in view of the service disabilities which you have discussed to these common points?

A. No, I can't see that it would increase our traffic to any extent. It would merely have the effect of dividing the traffic between the two lines, the Southern Pacific and the Western Pacific, and it would have little effect upon our movements.

Q. Now, are the present schedules of Northern Pacific through Portland closely coordinated with the service of the Southern Pacific south of that point?

A. Yes, they are.

Q. And has that been true for some period of years?

A. Yes, it has. Our trains are scheduled to meet with the Southern Pacific service.

Q. Now, turning to Exhibit No. 3, and specifically Table No. 6, which was introduced by the—

Mr. Hobbs: That is Exhibit No. 32.

Mr. Farrell: No, no.

Mr. Hobbs: Oh.

By Mr. Farrell:

Q. —introduced by the Witness Wadsworth, lists the number of stations located upon joint traffic.

Now, what is the effect with respect to the existing joint rates through Bieber of the fact that these stations are located on common trackage with the Great Northern, if you know?

[fol. 419] A. Well, perhaps I should explain something about the joint line for the benefit of the record.

Q. By joint line, what do you mean?

A. Well, I will explain that.

Q. All right.

A. And that will clear up I think some of the points on this Table 6.

If you will refer to my Exhibit 31, what is called the joint line starts at Vancouver, Washington, then extends north through Chehalis and Centralia, to Tenino.

Now, that line is owned by the Northern Pacific Railway, and it has as tenants the Union Pacific and the Great Northern.

Now, at Tenino there is a line branching off to the right, up through Lakeview and Tacoma, and through to Seattle. Now, the Great Northern have rights over that line into Seattle. The line to the left out of Tenino, that goes along the Sound into Tacoma, is joint between the Northern Pacific and Union Pacific.

Now, from Tacoma to Seattle, the Union Pacific operates over a joint line with the Milwaukee. That line parallels the red line of the Northern Pacific.

In the event an industry locates anywhere along that line, as trackage is constructed to serve that industry, the tenant lines are given an opportunity to participate in that traffic. They have the option to buy into it, so to speak, [fol. 420] and I do not know of a case where they have not elected to buy into a track where we have decided to construct a track to serve an industry.

So for all practical purposes, the industries located along the line I have just mentioned are common industries, that is, the industries are common to the three lines, and I will go down Table 6 here and point those out.

There is Auburn, down to and including Christopher.

Q. All stations between?

A. All stations between. Then from Hillhurst, down to and including Meeker, Mobase, through to and including Ostrander, Puyallup, down to and including Rocky Point, Roy, Sumner, Thomas, Vader, through to and including Yelm; all of those stations the Great Northern has full and equal rights to serve industries along with the Northern Pacific and, likewise, where the Union Pacific reaches those stations they have the same equal rights.

Q. Then does the industry located at that point have a full line of joint through rates available via Bieber, in connection with the Great Northern Railroad?

A. Yes, to the extent that the Great Northern has rates via Bieber, they have access to all Great Northern rates and, likewise, they have access to our rates with the Southern Pacific on an equal basis.

Q. Now, is there an important additional station that is [fol. 421] not shown on this list?

A. Yes. Longview was apparently omitted. It is quite an important point.

Q. Now, in view of the fact—

Mr. Treanor: Just a moment, Mr. Farrell.

Mr. Farrell: Excuse me.

Mr. Treanor: I would like to interrupt, just so I understand what your witness has just said, so that I may follow him.

Mr. Farrell: I do want you to follow, Mr. Treanor.

Mr. Treanor: He says that Longview is left off of this exhibit. By that you mean it is a station served by Great Northern, Northern Pacific, Union Pacific, without interchange facilities?

The Witness: Yes.

Mr. Treanor: Thank you.

By Mr. Farrell:

Q. Now—

Mr. Farrell: Thank you, Mr. Treanor.

By Mr. Farrell:

Q. —in view of the fact that these industries at all these points that you have mentioned are located on joint trackage, is there any need for interchange facilities?

A. Absolutely none.

Q. Now, directing your attention to Table 5 of Wadsworth's Exhibit 3, are there some points listed there that [fol. 422] are also located on joint trackage?

A. Yes.

Q. Will you name them?

A. Vancouver, Washington, Chehalis and Centralia, Washington are on the so-called joint tracks, and I might mention that Bend, Oregon has a joint operation by the Grand Northern—by the Great Northern—OT and UP.

Q. And the same remarks you have just made with respect to joint trackage would apply to those points, too?

A. To Vancouver, Chehalis and Centralia it would.

Q. Now, directing your attention to Witness Wadsworth's prepared statement, page 10, the third paragraph on the end, and I will read it—

A. I don't belive I have that with me.

Could I have—

Q. You may have mine.

A. —a copy of it?

Q. And I will ask you to read the third from the last paragraph on page 10 for the record.

A. "Combination of line-haul rates now apply on shipments between inclusive points on complainants in Table 10 of Exhibit 3, and inclusive points on the Northern Pacific or Union Pacific in Table 6 of Exhibit 3."

Q. Do you agree with that statement, Mr. Davis?

A. I do not.

[fol. 423] Q. And why do you not agree with it?

A. Well, the points that I just read off are not exclusive points on the Northern Pacific.

As I mentioned, the Great Northern serves those points in common with the Northern Pacific and, therefore, the shippers have access to Great Northern service and rates.

Q. In other words, as shown on Table 6 of Exhibit 3, the Great Northern serves every single station there listed, as shown by the witness's own exhibit, is that correct?

A. Just a moment, I would like to have that question back.

Mr. Farrell: Read that question, Mr. Reporter, please.

Exam. Wright: The reporter will read the question.

(Question read.)

The Witness: Yes.

By Mr. Farrell:

Q. Now, to your knowledge, Mr. Davis, have you ever refused to publish rates at a shipper's request on canned goods from McHenry, California to Yakima, Washington, via the Tidewater Southern-Western Pacific, Great Northern, Portland, Northern Pacific beyond?

A. To my knowledge I have not, and I heard the witness testify here yesterday to the effect that he had just recently filed that application for such rates.

Q. And by the witness, you mean who?

Mr. Treanor: Mr. Roach.

A. He represented the cannery at McHenry. I have for- [fol. 424] gotten his name.

Mr. Treanor: It was Mr. Roach, if you would like to know.

Mr. Farrell: Mr. Roach, we appreciate your assistance.

By Mr. Farrell:

Q. To your knowledge, have you ever refused a shipper's request for rates on canned goods from Marysville, California, via Western Pacific-Great Northern-Portland-Northern Pacific beyond to Walla Walla, Washington?

A. I do not recall of seeing such an application.

Q. Now, directing your attention to the station at Bellevue, Washington, which we discussed at some length yes-

terday, could you tell us what industries are located at Bellevue, Washington which have a need for rail transportation?

A. Well, the largest industry and practically the only industry at Bellevue of any importance is Safeway Stores. They erected a large distribution plant at Bellevue, Washington, on Northern Pacific rails.

Q. And how was traffic handled to and from that plant within the scope of this complaint from a rate standpoint? What is available there?

A. The traffic of our line is brought into Auburn, and thence moved over to Bellevue, and in connection with the inside gateway the traffic is brought into Seattle where it is turned over to us for furtherance to Bellevue.

Now, Northern Pacific tariff ICC 9801 provides a switching rate on freight, all kinds from Seattle to Bellevue, which [fol. 425] is applicable to traffic on which our connections at Seattle elect to absorb switching.

Now, also, in the same item of the tariff, the same provision for another large grocery house, the American Wholesale Grocers who have or plan on locating on the line going over to Bellevue.

Now, Item 520 of GN-ICC8996 provides for absorption of this switching charge I have just previously mentioned on all traffic originating in California when moving via the Bieber Gateway.

This publication does not distinguish as between competitive or non-competitive traffic. It merely states that the Great Northern will absorb this switching charge.

Q. The absorption is then complete?

A. That is right, without extra cost to the shipper for switching.

* * * * * * *

By Mr. Farrell:

Q. Now, Mr. Davis, directing your attention again to the Witness Wadsworth's Exhibit 3, Table 18, and specifically the second, fourth and fifth shipments listed thereon, which

are all three of them routed Great Northern to Seattle, then—Northern Pacific, and in each case the final destina-
[fol. 426] tion is Bellevue.

Would the Northern Pacific appear as a line-haul carrier in that routing?

A. Well, they should not appear as a line-haul carrier for the reason that I just previously mentioned.

The Great Northern absorbs our switching charge over there, and it is customary to handle shipments on a switching settlement statement rather than on interline billing, and if the consignee paid our local rate over there the tariff of the Great Northern was not complied with which provides for the absorption of our switch.

Q. In other words, if the tariffs were properly applied, the Northern Pacific simply wouldn't appear in that routing, is that correct?

A. That is correct.

Q. Now, turning to Table 12 again of Exhibit 3, and directing your attention specifically to the station Aberdeen, Washington, can you tell me whether or not, despite the caption on that table which is, "Stations located on exclusive NP-UP or their short-line connections, whether or not there are joint through rates via Bieber from the station of Aberdeen, Washington at the present time."

A. There are through rates in connection with the Milwaukee Road and the Bieber route.

Q. With respect to Bellevue, Washington?

[fol. 427] A. Bellevue, I have previously explained that switching charges of the Northern Pacific are absorbed there by the Great Northern.

Q. Bremerton, Washington?

A. Bremerton, Washington is reached via the Bieber route by the inside gateway, and also the Union Pacific, for that matter, in connection with the Bremerton car-ferry which is the common carrier by water, and in the process of being acquired by the Milwaukee road.

Q. Ellensburg, Washington?

A. Ellensburg is a joint station of the Northern Pacific

and Milwaukee, and the inside gateway meets our route there with rates in connection with the Milwaukee.

Q. Hoquiam, Washington?

A. The same statement is applicable.

Mr. Treanor: Excuse me, Mr. Farrell, so I may follow you, isn't that shown on the exhibit what you are asking this witness?

Mr. Farrell: I think the record will speak for itself.

If you are confused—

Mr. Treanor: Yes, I am.

Mr. Farrell: I will make this statement.

On cross-examination of your witness yesterday, I asked your witness if there were not a full line of joint through rates available from this station, and he either did not know [fol. 428] or would not say.

I simply want the record clear on it.

Mr. Treanor: Well, he didn't understand your question.

Mr. Farrell: You may be correct.

Mr. Treanor: The exhibit shows Northern Pacific and Milwaukee, and I am inquiring so I can clearly understand what you are asking this man.

Mr. Farrell: The caption of Table 12 is, and I quote, "Stations located exclusively on NP or UP or their short line connections," and the testimony of your witness was there are not joint rates available via the Bieber Gateway from those stations, and I simply now am showing that there are.

Mr. Treanor: Well, I understand now what you are getting at, but before you—this exhibit does show Milwaukee, doesn't it?

That is all right, I understand.

Exam. Wright: Continue.

By Mr. Farrell:

Q. I believe we were at Hoquiam. I believe you replied to that, did you, Mr. Davis?

A. I did.

Q. Now, Raymond.

A. My statement would be applicable to Raymond. It is served by the Milwaukee.

Q. And Renton?

A. Renton is served by the three lines, the Pacific Coast [fol. 429] Railroad, which is a subsidiary of the Great Northern and wholly owned by that line.

Q. What would you classify that as, short-line connection with the Great Northern?

A. Yes, a short-line subsidiary connection of the Great Northern. As a matter of fact, we make rates into Renton to and from California in connection with the Pacific Coast Railroad. They have a large automobile unloading arrangement setup over there for the handling of automobiles into the terminal area of Seattle, and the traffic of all lines is handled over the Pacific Coast to Renton.

Q. Now, Mr. Davis, have you been in the hearing room since this hearing began at all times?

A. Yes, practically all of the time.

Q. Have you heard all of the shipper witnesses who have testified?

A. Yes, I have.

Q. Have any of these shipper witnesses ever applied to you for any of the rates that they apparently now seek as witnesses for the Western Pacific in this proceeding?

A. I cannot recall receiving an application from any of the witnesses.

Q. If such a request had been made of the Northern Pacific Railroad, would that request come to your attention?

A. It would be processed through my office, and I would [fol. 430] come in personal contact with it.

Q. If such a request had been made of the North Pacific Coast Freight Bureau, would it also come to your attention?

A. It would.

Q. And if such a request had been made of the South Pacific Coast Freight Bureau, would that also come to your attention?

A. It would.

Q. Have any such requests come to your attention from any of these shippers?

A. No.

Q. How many years has the inside gateway been in existence, Mr. Davis?

A. Since 1931.

Q. Did you hear the testimony of the witness Robert Stoll that he needed the service of two routes from the San Joaquin Valley and Bakersfield area to points on the Northern Pacific so that he would have a good car supply available?

A. Yes, I heard Mr. Stoll's testimony.

Q. What is the present rate structure which exists from this area to points in the Pacific Northwest?

A. Well, from the San Joaquin Valley and Bakersfield areas presently joint rates, joint through rates to points on our line via the route of the Southern Pacific to Portland, thence Northern Pacific or via the Santa Fe to Stockton, thence Southern Pacific to Portland and Northern Pacific.

[fol. 431] Q. In other words, he presently has a car supply of both the Santa Fe and Southern Pacific available to him?

A. He would have, yes. They both hold themselves out to perform service from that area.

Q. Is there any further statement you desire to make Mr. Davis?

A. I have none.

Mr. Farrell: I tender the witness for cross-examination.

Exam. Wright: Cross-examination.

Mr. Farrell: And offer these exhibits in evidence.

Exam. Wright: I will withhold ruling until the conclusion of cross-examination.

Cross examination.

By Mr. Treanor:

Q. Mr. Davis, I take it you are the rate legislative man in your railroad in this territory?

A. In this territory, yes.

Q. So you will make the decisions as to whether or not there will be approval of application for rates via the inside gateway in connection with your line?

A. I make decisions up to but not including policy level, but I participate in discussions on matters pertaining to policy.

Q. Well, so we can clearly distinguish that area, is it the policy that governs when the Western Pacific asked for these rates?

A. Are you talking about this case we are involved in here?

Q. Well, and beyond, any time the Western Pacific asked [fol. 432] you to join in these rates with them, is that decided on the policy level rather than by you?

A. Well, that would all depend upon the circumstances surrounding the particular proposal that they might make. Some rates I make in joint committee session with Mr. Amos without referring them to anyone.

Q. You mean our Mr. Amos?

A. Your Mr. Amos. They are made right there at the conference table.

Other rates I might discuss with my superiors in St. Paul.

As I say, it depends upon the circumstances.

Q. Well, who would make the decisions, let us say, on a right—well, I will ask it another way.

Is Mr. Roach's application for the rates going to be approved by the Northern Pacific?

A. Well, I haven't—is that the McHenry application?

Q. Yes.

A. Well, I haven't studied that completely. I wouldn't attempt to conduct a docket meeting here on the witness stand and state whether it would be approved or not. There

are some things that I want to look into and have investigated.

Q. Are the decisions going to be made by your railroad without consultation with the representation of the Southern Pacific?

A. I do not ask the Southern Pacific for authority to make freight rates. I am supposed to be capable of making [fol. 433] my own rate decisions.

Q. Have you discussed this proposition with the Southern Pacific, the proposition that is before you now?

A. McHenry?

Q. No, sir, this case.

A. Yes, I have discussed it with them, certainly I have, but they did not, the Southern Pacific had nothing to do with any statement that I made in my direct testimony.

Q. Didn't you have a meeting with them before this case and decide what you were going to do here?

A. No, we didn't decide what we were going to do here.

Q. Did you have a meeting with them?

A. I had meeting with them, yes, but no decision was reached as to what the Northern Pacific policy would be at that meeting. It was reached far in advance of that meeting.

Q. In other words, for years you have been working with them to keep us out of the business, is that right?

A. No, we have not been working with them to keep you out of the business.

Q. Well, why are you keeping us out of it?

A. Well, we just don't like the route that is proposed in this case. As I explained in my direct testimony, this route fails to recognize a number of things in which we are interested.

Q. Well, how do they affect you?

A. How do they affect us?

[fol. 434] Q. Yes.

A. Well, I thought I made it plain in my direct testimony, one, it would cause us to perform a great deal of added service that we are not required to perform in connection with the Southern Pacific route.

Q. I am sorry, I missed that in your direct testimony.

Mr. Farrell: Complete your answer, Mr. Davis.

A. It fails to recognize, the route sought fails to recognize the fact that we own a part of the OT-SP&S. It is a part of our line, and the proposed route would short-haul us. It fails to recognize the poor service which we feel would be harmful to our company where we compete with the Great Northern.

For instance, at Spokane, with service of the Great Northern being 24 to 48 hours more expeditious than the service would be via the proposed route would cause an unfavorable shipper reaction to our line, in the event a shipper up there required his car.

He might not be responsible for the routing, but if he were displeased with the service he would undoubtedly retaliate and take this business away from us, and perhaps other available business.

Another factor is that our subsidiary line, the SP&S, would be deprived of revenue that it presently receives. There would be a shift of traffic from the Southern Pacific in which the SP&S participates and receives a division [fol. 435] based on the value of the service they render. That traffic would be shifted over, some of it to the inside gateway for handling under the car-haul contract.

Those are some of the reasons that we are not satisfied with the route that is proposed.

Q. Has the SP&S to your knowledge intervened in this proceeding?

A. No, they have not intervened.

Q. So they haven't come to the Commission and stated that they are hurt, have they?

A. They have not, but we have an interest in the SP&S, a proprietary interest, and we feel they would be hurt.

Q. And you are speaking now for the Union Pacific?

A. I am speaking for the Northern Pacific.

Q. I mean the Northern Pacific.

A. For the Northern Pacific, and SP&S, I am speaking for them.

Q. And you are in a position to speak authoritatively for them?

A. I am speaking for the Northern Pacific, as to its attitude with respect to one of its subsidiary lines.

Q. May I then take it that the parent lines of the SP&S would be willing to publish these rates at Wishram?

A. At Wishram, we have no connection with the Oregon Trunk at Wishram.

Q. No, I mean with the Oregon Trunk and the SP&S— [fol. 436] would they be willing to join with you?

A. You mean join with us?

Q. Yes.

A. No, we haven't considered that. We merely dealt with the complaint as presented. If the Western Pacific desires rates via Bend, Oregon Trunk-SP&S, then they should so indicate to us, but they never have done that.

Q. They never asked you for those rates?

A. No, sir, not via that route.

Q. To your knowledge, would you be willing to publish them?

A. Well, I am not going to make freight rates here on the witness stand. That is something that would have to be considered by our management.

Q. Well, you have spoken for management, so I wondered if you might be able to give us the views of management on that point.

A. Yes, I could. My management hasn't considered that possibility because it has never been presented to us.

Q. Now, another question. I would like to know whether the shipper requests that were made here in the hearing room would be honored by your company.

A. Well, I would like to be helpful to you, but I am not going to make freight rates here. There has been no formal application filed, and when we consider a rate matter it is customary to get an application from the shipper stating his reasons.

We investigate it, and handle it in the usual process under [fol. 437] the articles of organization and procedure. Now—

Q. Is this—

A. I will give consideration to any request that is filed. That is the most I can say on that.

Q. And you never make freight rates except by formal application, is that right?

A. Oh, I wouldn't say that, no, but 99 per cent of our rates are handled under formal application, except where one carrier is meeting another carrier or some unusual circumstance.

Mr. Farrell: Just for clarification, have these people presented other requests for other rates, these public witnesses who have been in here?

The Witness: Oh, many, many of them.

Mr. Farrell: So it is not an unusual situation?

The Witness: No, it isn't unusual.

Mr. Farrell: To have a written request?

The Witness: That is correct.

By Mr. Treanor:

Q. You expressed an opinion as to the shipper Stoll's problems.

A. Yes.

Q. You heard him testify that he didn't want to rely on only one line from Northern California into Portland. Did you hear him say that?

A. Well, as I recall his testimony, he was concerned with car supply in Southern California, whatever his testimony [fol. 438] is, why, it speaks for itself; yes.

Q. All right. This wasteful transportation you are talking about, and your fear that the route would take too much time, now today in the absence of the rate that we seek here, there is no opportunity to show how we can compete with the Southern Pacific, is there?

A. Well, we know what the circuity on our own line is, and we know that our service, due to the distance involved, cannot match the route of the Southern Pacific, SP& Northern Pacific through Portland. It is just too lengthy to make that time, and I don't see how under any circumstances that we could meet it, and we certainly could never

meet the time of the Great Northern, for instance, to Spokane or in the area east and south of Spokane.

We couldn't meet their time schedules where they go through Wishram, and east and we would be forced to go through west of Wishram to Portland, and thence up through Auburn. It just would be physically impossible to meet our competition.

Q. Isn't it your experience today, sir, that the overwhelming bulk of the traffic that is given to the railroad is already routed by the shipper when it is tendered to you?

A. Well, I haven't examined bills of lading to determine that. Some shippers specify, for instance, just the origin line; the Southern Pacific on a car, we will say going to Yakima, they may get a bill of lading with just Southern Pacific on it.

[fol. 439] We hope they will give it to us. Sometimes they will specify our routing.

I will say by and large that usually a shipper routes his traffic at the direction of the consignee in some cases.

Q. Well, now, if the shipper can route his traffic, and we must assume he is aware of his right to do that, and the rates are in, and they have proved that the routes are not competitive servicewise, after they are made competitive ratewise, then the shipper can make the decision who he will use, isn't that correct?

A. Well, the shipper will make the decision, certainly, but let us just take a man that, at Spokane for example, assume he gets a car of oranges, routes it out via the Bieber route. He has both of them going to Spokane. One of them would travel east of Wishram up to Spokane, over the Great Northern route, the short route; the other car around through Portland.

If he was in a hurry for the car that was going via our route, it would just be too bad. He would be displeased with our service, and the chances are he would say, "Well, don't give the Northern Pacific any more business."

The Great Northern route is so superior they might take other business away from us.

When the shipper gets mad he is liable to do anything, and one thing that will make him awful mad is poor service.

Q. Or the refusal to give him choice of routes, isn't that [fol. 440] right?

A. Ordinarily he doesn't want circuitous routes. In most cases today people require expeditious service. They work on low inventories, and they want their cars in yesterday.

We have people in our organization that do nothing but run these cars down, endeavor to expedite their movement, and we do not want anyone displeased with any service that we render.

Q. And if these rates go in, you will be able to render it in connection with more than one route, wouldn't you?

A. Well, we would obviously have two routes, yes.

Q. How much traffic moves on class rates today?

A. Well, I would say—

Mr. Farrell: Where, counsel?

Mr. Treanor: The area here he has testified to in his prepared statement, page 8.

Mr. Farrell: Thank you.

The Witness: I have not made a check, and I will grant you my opinion, if that is good enough.

I would say an insignificant amount of traffic moving under class rates.

By Mr. Treanor:

Q. So this route that is so efficient that you are talking about in connection with the class rates just applies in connection with paper rates, isn't that right?

A. That is a fair statement, I would say. However, the reason I included it in there, it reflected the interest of our [fol. 441] company in our subsidiary lines or partially owned lines of the SP&S and Oregon Trunk.

Q. You are interested so long as no traffic moves, is that right?

A. No, not as long as no traffic moves. I just merely stated our interest of why I put it in there.

Q. Now, how about pipe? Now, you testify also on page 8 about rates on iron and steel pipe.

A. That is right.

Q. Now, doesn't that pipe move over the routes that are here sought?

A. Some of it would if it were moving to points on the Northern Pacific.

Q. Yes. Not over the route you have shown for the class rates that don't move any traffic.

A. No, I distinguish between the routing in connection with automobiles and the pipe and the class rates.

Q. Just so we may be clear on this, sir, you understand that we are not asking for any preferential solicitation. We don't, are not asking that. You understand that?

A. Well, as I understand it, the preferential solicitation would be on the other side of the fence, if I read Mr. Wadsworth's testimony correctly.

Mr. Farrell: What do you mean by that, Mr. Davis?

The Witness: Well, Mr. Wadsworth testified as to the [fol. 442] close working arrangement between the sales forces of the Western Pacific, the Great Northern and the Santa Fe, and I take it we would be a rank outsider.

By Mr. Treanor:

Q. Well, that is until your merger took place.

Mr. Burkett: Well, now, I object to that.

Mr. Farrell: I object to that. That is entirely beyond the scope of the issues of this complaint.

Exam. Wright: Sustained.

By Mr. Treanor:

Q. You expressed some concern that the Great Northern —and I don't want to get back on the merger, but I assume you are friendly with the Great Northern. Is that a correct statement?

A. Well, just how do you define friendliness, like the help that Mr. Burkett was trying to give you the other day?

Q. Yes, like a marriage ceremony.

A. Well, we are friendly on a personal basis, but they are still our competitors.

Q. All right. And you do exchange information particularly under today's condition; you have a free exchange of information, don't you?

A. I have absolutely no exchange of information with any employee or officer of the Great Northern Railway except as I might exchange it with your Mr. Amos, or any other railroad representative.

[fol. 443] Nothing pertaining to competitive facts about our business. We are not that close together, I assure you.

Q. All right. Let us talk about this information you are afraid they are going to get. May we assume that the Great Northern is an alert organization and is aware of what shippers are located at common points that you both serve?

A. Oh, I had an experience with that just the other day. Yes, I know how alert they are.

Q. So they know what traffic is available from the common points, don't they?

A. No, not always.

Do you wish an illustration?

Q. I am sure you would love to give it to me.

(Laughter.)

A. Well, I would, yes.

Q. Go ahead.

A. All right. A few days ago I encountered a very unusual movement of traffic. We were shipping automobiles from Renton, Washington, on the Pacific Coast, which is a subsidiary of the Great Northern, to California.

Well, I happened to come into contact with this movement, and we ordered the cars placed into Renton, and the cars hadn't any more than been placed on the subsidiary line of the Great Northern until the freight solicitors of the Great Northern were right on this fellow's tail endeavoring [fol. 444] to get not only the business that we had, but some future business that he had.

So the information pertaining to any movement of traffic is valuable, and I am quite certain that anyone in the sales force of any railroad endeavors to get all of the information they can. I know I did when I was in the business.

Q. And they are working hard at it every day.

A. Yes, sir, they are.

Q. Now, let's go to the exclusive points that you serve. When I say exclusive, I mean exclusive so that the Great Northern is not in there. It doesn't make any difference, does it, in this particular case, whether they get any information on those movements?

A. No, on a car we will say to Yakima, from the standpoint of information, it would not make any difference if the Great Northern had the information, but of course that doesn't mean that we are agreeable to establishing rates to Yakima for that sole reason.

I stated my objections previously to the establishment of the Portland Gateway.

Q. And you of course realize that we gave up on getting you to do it voluntarily, and that is why we are here today.

A. Yes.

Q. And, of course, you do understand that the limitations of the complaint do not handcuff you to go beyond it voluntarily.

[fol. 445] A. No, if we wanted to establish additional rates with the Western Pacific, do you mean?

Q. Yes, sir.

A. Well, I assume that we could if they were agreeable to it, yes.

Q. You or your subsidiaries.

A. Pardon?

Q. You or your subsidiaries.

A. Well, as I previously mentioned, if you have any propositions, we will be glad to look at them.

Q. You will get them.

Now, page 17, Mr. Davis—

A. Yes.

Q. I would like to get into the detail of your statement as to the fact that a certain segment of the SP&S is one of the most costly pieces of railroad, mile for mile.

A. Yes.

Q. Now, you mean to operate?

A. No, its construction. That line when it was built cost approximately a million dollars a mile, which was expensive at that time.

The investment in that part of the line is heavier mile for mile than any other part of their railroad.

Mr. Farrell: What time was this, for the record?

The Witness: Pardon?

[fol. 446] Mr. Farrell: What time was this, for the record?

The Witness: That was back in 1909.

By Mr. Treanor:

Q. So that what you have testified here is that, based on what you have been told, or I assume you have been told by the records of your company, that in 1909 this was one of the most costly pieces of railroad constructed?

A. Yes, and even at today's prices it would be costly at a million dollars a mile.

Q. When is the last time you have dealt with the maintenance of that line, you, Mr. Davis?

A. I have never dealt with any of it.

Mr. Treanor: Thank you. I have completed my cross-examination, sir.

Exam. Wright: Any further cross?

(No response.)

Exam. Wright: Redirect?

Mr. Farrell: One on redirect.

Redirect examination.

By Mr. Farrell:

Q. Mr. Davis, with respect to Mr. Treanor's questions on traffic going to competitive points with the Great Northern, is there a large volume of traffic moving north and

south that are competitive with the Great Northern, such as Seattle?

A. Yes, the whole joint line that I have previously mentioned is highly competitive.

[fol. 447] Again, that is between Vancouver and Seattle. We again encounter competition of the Great Northern north of Seattle at Everett, Sedro Woolley, and Bellingham, and also in the east we encounter their competition at Spokane, east to Sand Point, and south on their line down to Moscow.

Q. Well, would you say then that the principal big and important stations in the state of Washington then are served by both lines, both the Great Northern and the Northern Pacific?

A. Yes, I would say there is more traffic originating or terminating at those stations than—well, perhaps I shouldn't say that. I really don't know, but they are the principal stations in the state of Washington.

Mr. Farrell: Just a moment.

(Short pause.)

By Mr. Farrell:

Q. At the present time—strike that; strike what I have said.

Mr. Farrell: I have nothing further.

Mr. Treanor: I have just one question.

Exam. Wright: Very well.

Recross examination.

By Mr. Treanor:

Q. Then as I understand it, to the points that are common between you and the Great Northern, and the Great Northern's willingness to make rates with you over Portland, hurts them?

A. No, I don't know what you mean by "hurts." It could

[fol. 448] hurt both of us perhaps. It would shorten their haul, obviously.

Q. In other words, they would turn the traffic over to you at Portland instead of taking it all the way up to the common point as they can do today?

A. That is right.

Q. So that you would still have rates between the common point and Portland where you would either turn it over to the Southern Pacific or the Great Northern?

A. That is right but, as I previously stated, we have certain objections to that.

Q. Yes.

A. Yes.

Mr. Treanor: Nothing further.

Further redirect examination.

By Mr. Farrell:

Q. And one of those principal objections, as I understand it, Mr. Davis, is this circuity that would be involved, is that correct?

A. Well, as I stated them, I think there were four.

Exam. Wright: I think that is clear in the record.

Mr. Farrell: All right, I have nothing further.

Offers in Evidence

Exam. Wright: Any objections to Exhibits 30, 31 and 32?

Mr. Treanor: I have none, sir.

Exam. Wright: They are received in evidence.

(Defendants' Exhibits Nos. 30, 31 and 32, Witness Davis, were received in evidence.)

* * * * * * *

[fol. 449] Mr. Burkett: The next witness is presented by the Southern Pacific Company, petitioner and intervenor. Mr. Wascoe, please.

FERDINAND WASCOE was duly sworn and testified as follows:

Exam. Wright: Be seated.

Direct examination.

By Mr. Burkett:

Q. Will you please state your full name?
A. Ferdinand Wascoe, W-a-s-c-o-e.
Q. What is your address?
A. 65 Market Street, San Francisco, California.
Q. By whom are you employed and in what capacity?
A. I am employed as manager of the Bureau of Transportation Research by the Southern Pacific Company.
Q. And are you testifying on behalf of the Southern Pacific Company, intervenor, in this proceeding?
A. Yes, sir.
Q. Would you please state your academic and profes-
[fol. 450] sional background with respect to the railroad industry?

Mr. Treanor: I don't like to deprive him from opportunity of putting it on the record, but I have no question about the fine qualifications of Mr. Wascoe.

Mr. Burkett: Well, thank you very much, Mr. Treanor. I see we are being very gracious today.

By Mr. Burkett:

Q. Mr. Wascoe, have you in the last two years had the occasion to make a detailed study of the transportation conditions of the route of the Southern Pacific Company between Los Angeles, San Francisco, and Portland, Oregon, and also to make a similar study of the transportation conditions of the Santa Fe and Western Pacific between points —I beg your pardon—Santa Fe, Western Pacific and Great Northern on those portions of the line comprising the so-called Bieber route?
A. Yes, sir.

Q. And as a result of those studies, have you prepared an exhibit showing the nature of those transportation conditions?

A. Yes, sir.

Mr. Burkett: Mr. Examiner, I ask that the exhibit which has been distributed and which bears the title, "Transportation Conditions of the Southern Pacific Routes Compared with Western Pacific Route via Bieber, California, between Portland, Oregon and Stockton, California, San Francisco, California and Los Angeles, California," be assigned the next number in order for identification.

[fol. 451] Exam. Wright: That will be No. 33 for identification.

(Intervenors' Exhibit No. 33, Witness Wascoe, was marked for identification.)

Mr. Burkett: What number is it?

Mr. Farrell: No. 33.

By Mr. Burkett:

Q. Has Exhibit No. 33 been prepared by you or under your supervision and direction?

A. Yes, sir.

Q. And is the information presented in Exhibit No. 33 true and correct, to the best of your information and belief?

A. It is.

Q. Is the information presented—does the information presented in Exhibit No. 33 represent the transportation en route referred to as of today?

A. Yes, sir, to the best of my knowledge.

Q. Now, would you please refer to Exhibit No. 1, and would you please hand my copy of Exhibit No. 1 to the witness.

Now, please turn to sheet 1 of your Exhibit No. 33, and would you outline briefly on Exhibit No. 1 the location of the Southern Pacific Company route between Portland, Oregon and Stockton, California, which is referred to in that exhibit?

A. On Exhibit No. 1, the Southern Pacific route is shown in brown.

Starting at Portland, the Southern Pacific proceeds south [fol. 452] to Eugene, thence southeast to Chemult, south again to Klamath Falls, then to Black Butte, which is shown as the junction directly above the station Mount Shasta, through Red Bluff, down to Gerber, California, at which point we have one line operating south to Roseville, another line operating south to Davis.

The route going to Stockton is via Roseville, and then Sacramento, and then directly southward to Stockton.

Q. All right. Now, also referring to that Exhibit No. 1, would you please describe the Western Pacific route via Bieber, between Portland and Stockton, to which you have referred on your Exhibit No. 33?

A. Commencing at Portland, the operation is Great Northern over the SP&S trackage, to Wishram, south from Wishram to Bend on the Oregon Trunk, thence from Bend on the Great Northern to Chemult.

At Chemult, Great Northern operates over Southern Pacific trackage in a joint operation through Klamath Falls down to Bieber. At that point, the Great Northern connects with the Western Pacific which operates southward to Keddie, thence westward and southwestward through or— through Oroville, Marysville and Sacramento to Stockton.

This is indicated by orange for the Great Northern operation, and purple for the Western Pacific operation.

Q. Now, would you please describe on Exhibit No. 1 the [fol. 453] route of Southern Pacific Company between Portland, Oregon and San Francisco, California, to which you have referred in your Exhibit No. 33.

A. As I indicated, there are alternate routes, one via Davis and Oakland, the other via Roseville and Stockton.

Continuing my description, Davis is the junction point due west of Sacramento, as indicated on Exhibit 1. The line commences from there through Vacaville, on across upper San Francisco Bay.

Actually, it is San Pablo Bay into Oakland.

The route via Roseville, which is the junction just due west of the "S" in Sacramento. The train operates through Elvas, which is the eastern part of Sacramento, then south through Stockton, turning west at a junction point of Lathrop, over the Altamont Pass through Niles, Niles Junction, and then across the Dumbarton Bridge into San Francisco.

Q. Now, I notice that on the exhibit you refer to a truck haul with respect to the movement over the route by Davis. Why is that, and between what points is that truck haul rendered?

A. The truck haul would be rendered between our freight station or our piggyback ramp at Oakland, and the ultimate destination in San Francisco, via the San Francisco-Oakland Bay Bridge.

Q. And would that truck haul be used for carload traffic, or less than truckload traffic?

[fol. 454] A. It would be less than truckload, or carload, TOFC traffic.

Q. And by TOFC you mean trailer on flatcar traffic?

A. Trailer on flatcar traffic.

Q. Now, would you describe—

A. I might add one thing further.

Q. Yes, sir.

A. That in handling of automobiles, if there is such a movement on bi-level or tri-level cars, the automobiles themselves would be transferred either on a highway carrier or as units in and of themselves.

Q. Well, now, referring back again to this Exhibit No. 1, would you please briefly give what further information is necessary to describe the Western Pacific route with a Western Pacific termination and a Western Pacific route, with a Santa Fe termination between Portland, Oregon and San Francisco, California?

A. The traffic would be interchanged between the Western Pacific and the Santa Fe at Stockton, thence following the yellow line westward from Stockton through Pittsburg, to Richmond, wherein the carload traffic would be handled by barge into San Francisco; or if it is less than carload or TOFC traffic would be handled over the highway.

Q. Now, would you briefly describe the Western Pacific route when it moves by Western Pacific all the way from Bieber to San Francisco.

[fol. 455] A. From Stockton, the Western Pacific operates south and westward through Lyoth over the same Altamont Pass which Southern Pacific operates through, thence northward at Niles to Oakland.

From Oakland, again the Western Pacific has the option of using barge for carload traffic or truck for LCL or TOFC traffic.

Q. Now, would you please describe on the map constituting Exhibit No. 1 the routes of the Southern Pacific on the one hand via Roseville, and the Western Pacific on the other hand via Bieber, between Portland, Oregon and Los Angeles, California.

A. The route on the Western Pacific to Stockton would be exactly the same as previously described.

At Stockton, the Western Pacific connects with the Santa Fe which handles traffic southward through Turlock and Merced, Fresno, Bakersfield, at which point specifically designated, Kern Junction, they operate on Southern Pacific trackage in a joint operation, Kern Junction and Mojave.

At Mojave, following the yellow line eastward, the Santa Fe handles traffic to Barstow, thence southwestward from Barstow through to Los Angeles.

Q. Now, do you consider that these three different sets of routes which you have shown between Portland, Oregon on the one hand, and Stockton, San Francisco or Los Angeles, [fol. 456] California on the other hand, constitute a showing of the routes over which a substantial amount of the total traffic between California on the one hand and Portland, Oregon on the other hand, would necessarily move?

A. They would be the major routes.

Q. Now, before leaving this map, Mr. Wascoe, I wish you would please refer to this Exhibit No. 31, and although in your descriptions you have indicated routes on Exhibit No. 1, because of the large size, do you have any comments to make concerning the general accuracy of Exhibit No. 1, contrasted with Exhibit No. 31?

A. There isn't really too much difference, except that the map in Exhibit 31 I think is a truer portrayal, the Exhibit 1 being more a schematic diagram of the comparison of the movement between Chemult and Portland, either via the Southern Pacific or the Great Northern operations.

Q. Now, Mr. Wascoe, returning to your Exhibit No. 33, in which you list a comparison of the transportation conditions, would you please explain the significance of the number of interchanges by the various routes which you have there shown?

A. The number of interchanges has significance as a transportation condition for a number of reasons, the major of which are the time consumed in interchange of traffic as between railroads.

Secondly, as to the cost of movement, interchange of [fol. 457] traffic between railroads is a relatively costly operation.

Q. Now, will you please refer to the next Column C, in which you have indicated the number of engine districts by the various routes, and would you please describe the significance of the number of engine districts, and also the significance of the so-called truck and barge movements you have there shown?

A. Yes, sir, these have relationship primarily to cost factors. They are indications of districts over which separate crews handle the traffic involved, and as far as truck and barge operations are concerned I think it is relatively obvious that, in addition to a certain number of specific engine district handlings, when you add a barge operation to a rail operation you have additional switching at the terminal to get the cars on and off the barge, as well as a costly operation of barging.

Q. Now, I assume the column, "Road Miles," which is used for these various routes, is self-explanatory?

A. Yes.

Q. Have you any comments to make concerning the column, "Total Degree of Curvature," which I suppose is also self-explanatory?

A. Total degree of curvature is a summation of, let's say, the amount of zigging and zagging that the traffic would undertake in getting from origin to destination, as indicated on the exhibit.

It has a significance in cost in that there is a relationship [fol. 458] between curvature and the amount of effort or consumption of energy in moving traffic. The relationship there is 4/100ths of a foot of rise is equivalent to one degree of curvature.

Q. Now, would you please briefly describe the feet of rise column, and also explain why the feet of rise is more in one direction in some instances than the other direction?

A. The feet of rise, all this is is the summation of the ascents by milepost of the various routes shown on this exhibit, and it just does indicate relatively how many feet up the traffic has to move.

It ignores any downward movement. That is, it eliminates any downhill.

Q. Now, would you briefly describe the column, "Total Equivalent Rise in Feet," which bears the designation, "G"?

A. The equivalent rise in feet is the evaluation or summation of degrees of curvature, feet of rise, energy effort in moving traffic even while it is moving downward, plus the effect of overcoming internal resistance of the car itself.

Q. And now briefly describe the way you have calculated the figures shown in the column, "Maximum Equivalent Rise in One Mile."

A. The maximum equivalent rise in one mile is just the total feet which includes the degrees of curvature, the feet of rise, for any one mile over the entire route shown. It has some significance in determining the amount of power required.

[fol. 459] Generally, it would give an indication of the ruling grade.

Q. Mr. Wascoe, when I was asking you some questions about these routes on the map, I think I forgot to have you mention the route of the Southern Pacific between Stockton and Los Angeles. That is pretty self-explanatory, isn't it?

A. Yes, sir, the operation is southward from Stockton through Lathrop, Fresno, Bakersfield, Mojave, and I believe Sargus is shown on this map. I can look it up.

Q. I don't think it is.

A. Well, from Mojave the Southern Pacific operates on the brown line directly through to Los Angeles.

Q. And the Santa Fe goes around on the yellow line through to Barstow?

A. Yes, sir.

Q. Now, do you have any comments to make concerning the figures generally shown on Exhibit No. 33 and the underlying pages which follow Sheet No. 1, and would you describe them briefly?

A. Well, in each of the subsequent 16 pages, and—I have in detail for the routes by engine districts, or if a truck or rail barge might be involved the detail by segments which when summed indicate the summary figures shown on sheet 1.

For each of the headings the meanings have exactly the same meaning as described for sheet 1.

Q. Mr. Wascoe, are these transportation conditions which you have shown in your Exhibit No. 33 those which con- [fol. 460] stitute the main transportation conditions with respect to the movement of traffic by various routes?

A. Yes, sir, I would say so.

Q. Now, have you also made an out-of-pocket cost determination of the relative out-of-pocket cost of moving an identical carload of traffic over the Bieber route between Portland and California on the one hand, and the Southern Pacific route between Portland and California on the other hand?

A. Yes, sir. Using Form A, Western District costs I did compute the comparison of the costs from receipt in interchange at Portland by Southern Pacific, or receipt in interchange at Portland by the Great Northern to termination by Southern Pacific at San Francisco and at Los Angeles, versus termination by the Western Pacific at San Francisco or the Santa Fe at Los Angeles.

Q. Would you briefly describe what that form A is, as to which you have just referred?

A. Form A is a cost finding procedure designed and applied by the cost section of the Interstate Commerce Commission. The data which I used was obtained from publication of the cost section in connection with the mileages and the interchanges which have been described in Exhibit 33.

Q. Did this study that you so made take into consideration the differences in total degree of curvature, feet of rise, and total equivalent rise in feet shown in your exhibit?

[fol. 461] A. No, sir, the form A approach does not explicitly take these factors into consideration.

Q. Without taking these factors into consideration, what were the general results of your study?

Mr. Treanor: Just a moment, please.

At this time, Mr. Examiner, I would like to, before making an objection, direct an inquiry as to the foundation of this study, and ask Mr. Burkett, if I may, whether this is the same study that the Transcontinental Lines used in the Division's case.

Mr. Burkett: Maybe, Mr. Treanor, you should be more specific in your question.

Mr. Treanor: No, I mean, is it the same formula, same type of formula that was employed in the Division's case, with the same basic considerations taken into effect?

Now, of course, Mr. Burkett—

Mr. Burkett: I would rather have Mr. Wascoe answer that question which I have no objection to your asking him.

Mr. Treanor: Very well.

The Witness: Yes, basically it started with our obtaining from profiles and maps in Washington on file with the Interstate Commerce Commission the specific elevations and curvatures so indicated.

Subsequently, having these data either confirmed or corrected by operating officers of the Great Northern, the [fol. 462] Northern Pacific—I am sorry—the Great Northern, the Western Pacific, and the Santa Fe, and these are the same factors.

Mr. Treanor: What I am trying to determine, Mr. Examiner, and Mr. Wascoe may have answered it, I want to know, as you and I both know, Mr. Wascoe, one formula is used for one purpose in one case, and maybe there is a slight variation in another, taking into consideration not only what you hope to prove, but what peculiar circumstances apply.

So I am trying to determine when you say—we all know what a form A is, and the Commission is well aware of it, but have you modified Form A here? This is what I am trying to understand.

The Witness: I am sorry, I misunderstood you. I thought you were talking about my Exhibit No. 33 rather than your cost explanation.

Mr. Pfrommer: Your explanation that you have given pertained to the information in Exhibit 33?

The Witness: In Exhibit 33, and I don't think I have answered the question.

Mr. Burkett: Well, if Mr. Treanor would let me proceed I will develop that.

Mr. Treanor: If you would.

Exam. Wright: Very well.

By Mr. Burkett:

Q. Maybe I should go back and ask a preliminary question before I go any further, and that is with respect to [fol. 463] these transportation conditions which you have shown on Exhibit No. 33, what conclusion do you draw concerning the relative favorableness of the transportation conditions of the Southern Pacific route between Portland on the one hand, and Stockton, San Francisco and Los Angeles on the other hand, and the Bieber route between Portland, Oregon and those same points.

Mr. Treanor: I object to that question for the reason that it adds nothing to this record.

Obviously Mr. Wascoe is an ardent Southern Pacific supporter.

Mr. Burkett: Mr. Treanor stipulated to the qualifications of Mr. Wascoe.

Exam. Wright: I will let him answer.

A. Well, for the factors which I have shown in each and every case the Southern Pacific factors are more favorable than the Western Pacific-Bieber route. It varies in some cases where the factors are equal, such as engine districts on the first comparison to other places where there is a difference of 20 per cent.

By Mr. Burkett:

Q. Now, going back to—

Mr. Pfrommer: Mr. Burkett—

Mr. Burkett: Yes, sir.

Mr. Pfrommer: Just to make sure there isn't a nicety in language involved, your question involves the relative favorableness of the routes, and Mr. Wascoe has answered [fol. 464] as to Southern Pacific factors.

Those are the routes.

The Witness: Those are the routes.

Mr. Pfrommer: You are talking about total routes?

The Witness: Yes.

Mr. Burkett: Thank you, Mr. Pfrommer. I think your question sort of clarified the record.

By Mr. Burkett:

Q. Now, would you please state whether this Form A cost study which you used was pure Form A, or whether it made reference to the studies of the adjusted Form A to which Mr. Treanor has referred?

Exam. Wright: You are referring now to the out-of-pocket cost studies?

Mr. Burkett: Yes.

A. The out-of-pocket study was a pure Form A, with adjustments as called for in Form A.

The only adjustments we made were in the number of interchanges and in the mileage. We made no adjustments such as were made in the Division's case.

By Mr. Burkett:

Q. Now, Mr. Wascoe, would you please state the result of this out-of-pocket cost study which you have made?

A. With the two modifications of Form A, as called for by Form A, Portland to San Francisco via Southern Pacific, that is compared with Portland to San Francisco via the [fol. 465] Western Pacific, the Western Pacific out-of-pocket costs were 15 per cent higher.

Portland to Los Angeles, via the Bieber route, versus Portland to Los Angeles via the Southern Pacific route, was 25 per cent higher, and this is as I explained without modification of costs as would occur if some of the factors which are shown on 33 are taken into account.

Q. Now, supposing those other factors on Exhibit No. 33 were taken into account. Would it result in a greater or less difference between the Bieber route out-of-pocket cost and the Southern Pacific route out-of-pocket cost?

A. If these factors were taken into account, there would be a greater difference.

Q. Now, Mr. Wascoe, have you prepared an exhibit showing relative schedules from Portland, Oregon on the one hand, and various points in California on the other hand, by these respective routes?

A. Yes, sir.

Mr. Burkett: Mr. Examiner, I ask that this one-sheet exhibit which has just been distributed be marked No. 34 for identification.

Exam. Wright: It is so marked.

(Intervenors' Exhibit No. 34, Witness Wascoe, was marked for identification.)

By Mr. Burkett:

Q. Mr. Wascoe, will you please briefly describe Exhibit [fol. 466] No. 34?

A. Exhibit No. 34, freight train schedules, Southern Pacific routes compared with Western Pacific-Bieber route, these schedules were taken from the published timetables of Southern Pacific and Western Pacific.

It indicates, in addition to leaving and arrival times at the points involved, the elapsed times between such points.

Q. And these schedules are limited to the service out of Portland?

A. Yes, sir.

Q. Now, would you briefly please describe the different routes over which the Southern Pacific trains you have shown on your Exhibit No. 34 might operate and the significance of those trains?

A. The BAS, the Bay Area Special, shown as the first southbound train operating to Oakland and San Francisco operates over the route I have described to Gerber, and then south on what we call the West Valley line to Davis, from Davis to Oakland, and then around the Bay from Oakland to San Francisco.

PCW-377 operates through Gerber, again down through Davis into Oakland.

The PNL operates over the East Valley Line through Roseville, Stockton, Fresno, Bakersfield, to Los Angeles.

The ADV. SMW-CS, operates through Roseville, then the CS operates from Roseville through Sacramento to [fol. 467] Oakland, and from Oakland to San Francisco, around the Bay.

Mr. Pfrommer: By what route is that?

The Witness: Through Roseville and Oakland.

Mr. Pfrommer: From Sacramento to Oakland via what route?

The Witness: Through the main line, through Roseville and Oakland, not via Stockton.

Mr. Pfrommer: You are operating up through Martinez on that route?

The Witness: That is correct.

By Mr. Burkett:

Q. Now, what is the significance of the symbol 012 or 3, which follow the times you have set forth in your schedule Exhibit No. 34?

A. Those are the days. If a car is loaded on a Monday, for instance, 5:00 a.m. Tuesday would be day one; it would be 5:00 a.m. day one.

Q. Do you have any comments to make concerning your Exhibit No. 34, any other comments?

A. I don't think I have described each route, but there are schedules going both via Davis, via Roseville to the San Francisco Bay Area.

Q. Well, would you like to briefly describe those routes?

A. PNL goes directly to Los Angeles via Roseville, Stockton, Fresno, Bakersfield; TFC SPECIAL, also.

On the northbound schedules, the Starpacer and the NCP, and the VXW, all operate via Stockton-Roseville.

[fol. 468] PCE, that is 378 PCE, operates via Davis over the West Valley Line; the OVE out of San Francisco operates over Altamont Pass; that is, through Stockton.

The SME, operating out of Oakland, operates through Martinez and Davis to Roseville.

Q. Do you have any other comments on Exhibit 34?

A. No, sir.

Q. Mr. Wascoe, would you please state what the type of rail is on the route of the Southern Pacific Company between California and Portland?

A. For the most part, the rail used on all of the trackage involved in our main lines, which would include these routes, are 112, 113, 132 and 136-pound rail.

The 112 and 113-pound rail is used only on tangent track. The heavier rail is used on curves, and a significant part of our mileage is in the heavier rail.

There is a little 119-pound rail, also.

Q. Now, would you also please describe what block signals or centralized traffic control there is on the route of Southern Pacific, between those points?

A. Between Oakland and Davis, the Southern Pacific

route is double-track automatic block signal with some segments of automatic train stop.

Davis to Gerber, up the west side line, is single-track automatic block signal.

[fol. 469] Gerber to Redding is single-track automatic block signal.

Redding to Black Butte is single-track centralized traffic control.

Black Butte to Klamath Falls is automatic block signal and single-track automatic block.

Klamath Falls to Crescent Lake is single-track centralized traffic control.

Crescent Lake to Eugene is single-track centralized traffic control.

Eugene to Brooklyn is centralized traffic control, automatic block signal.

Q. Mr. Wascoe, I don't think we have in the record yet the location of these points to which you have referred, and let us look at Exhibit No. 1 where I think most of those points are located.

A. I thought I did point out where the locations of the major part of them were.

Q. Well, if you feel it is in the record we won't take any more time with it.

You did identify all those points?

A. I did identify Davis, Gerber as the junction just south of Red Bluff, Klamath Falls is here, Black Butte was identified as a junction north of Mount Shasta.

Crescent Lake is roughly on the Southern Pacific Lines between Eugene and Chemult right about where the "P" is [fol. 470] indicated.

I think all of those points that I just mentioned are then identified.

Q. Now, then, going back to your Exhibit No. 34 for a moment, are the schedules you there show identifical with the schedules south of Portland shown by Mr. Evers in his Exhibit Nos. 28 and 29?

A. Yes, sir.

Q. Now, have you also made a compilation of the gross ton miles trailing by the Southern Pacific Company between Gerber and Dunsmuir?

A. Yes, sir.

Mr. Burkett: May this one-sheet exhibit which has been distributed be assigned the next number in order for identification?

Exam. Wright: No. 35 for identification.

(Intervenors' Exhibit No. 35, Witness Wascoe, was marked for identification.)

By Mr. Burkett:

Q. Mr. Wascoe, why did you choose the segment between Gerber and Dunsmuir to use on this exhibit?

A. This was to pick a section of track which would be directly comparable to the Keddie-Bieber segment of the data that Witness Allen put in Exhibit 22.

Q. And would all of the traffic of Southern Pacific Company moving between California on the one hand and Port- [fol. 471] land, Oregon on the other hand, necessarily have to go over this particular segment of track?

A. Yes, sir.

Q. All right. Now, would you briefly describe Exhibit 35 and state any conclusions you care to draw therefrom?

A. It shows for the comparable years the gross ton miles trailing and total east and west handled between Gerber and Dunsmuir for the years '43, '44, '45, '46, '58, '59 and '60.

My conclusion is that if you look at the year 1944 and compare it with 1960, there is an indication of excess capacity such as was indicated by Mr. Allen when he described his Exhibit No. 22.

Q. And in addition, is it a fact that since 1944 certain improvements, such as extension of centralized traffic control, have been made by Southern Pacific on this route?

A. Yes, sir, many improvements have been made in signalling and in upgrading the quality of the rail.

Q. So today would the capacity of this line be necessarily greater than it was in 1944?

A. Yes, sir.

Mr. Burkett: That completes my examination of Mr. Wascoe.

Exam. Wright: We will take a short recess.

(Short recess.)

Exam. Wright: Come to order, please.

Mr. Burkett: I would like to ask Mr. Wascoe one addi-
[fol. 472] tional question and that is:

By Mr. Burkett:

Q. Mr. Wascoe, since 1944, has Southern Pacific Company substantially added to its ownership of freight cars and its ownership of locomotive power?

A. As to freight cars, yes. As to locomotive power, I think I could best state it that we have converted from a steam operation to a diesel operation, a 100 per cent diesel operation which increases the capacity to handle traffic.

Mr. Pfrommer: You said one.

(Laughter.)

Mr. Burkett: I was just ready to say, Mr. Pfrommer, that I had finished my further direct examination.

Mr. Pfrommer: Good.

Exam. Wright: Cross-examination.

Cross examination.

By Mr. Treanor:

Q. Mr. Wascoe, your department frequently puts in cost testimony in many different types of cases, including a case such as this, a competitive rate situation, a maximum reasonable rate—

A. Yes.

Q. And that type of thing, is that right, sir?
A. Yes, sir.

Mr. Burkett: Now, would you please read that question, please?

Exam. Wright: The reporter will read the question.
[fol. 473] The answer is already in the record.

Mr. Burkett: Mr. Treanor, did you mean minimum reasonable rates or maximum reasonable rates?

Mr. Treanor: I didn't intend to limit it to any particular kind. I use those as examples.

Mr. Burkett: I think you and I agree that there is no maximum reasonable rates, because in the past you and I have taken the position that such was entirely irrelevant.

By Mr. Treanor:

Q. Minimum reasonable rates, Mr. Wascoe?
A. Yes, sir.
Q. Do you also use the same cost study?
A. No, sir, and if I may explain, where we or our compatriots, that is, the railroads joining us have the basic data in a form which is designated—I don't remember our own formula. Essentially, the Southern Pacific costing formula, we do put in our own.

Where there are other railroads involved who do not have the basic data in such a form, we do not use our approach mainly because of the time factor of the developing of the basic information, and then we do use Form A modified, and adjusted, as called for by the instructions.

Q. Now, in competitive rate cases, this is where your rates are reduced, the railroad rates are reduced?
A. We have used both.
Q. Thank you.

[fol. 474] Mr. Burkett: One was the canned goods case. Do you remember?

Mr. Treanor: I will never forget it. Neither will the reporter.

By Mr. Treanor:

Q. The 20 per cent circuity that you are talking about, the Southern Pacific route as opposed to our route, ours being you say approximately 20 per cent more circuitous?

A. I didn't say 20 per cent.

Q. What did you say?

A. I say that some of these factors could vary from equal up to 20 per cent.

Q. The exhibit—you prepared Exhibit No. 33 and the comparison of the Western Pacific Route; now, at the California point you have chosen for the Western Pacific Route, you mean there of course the City of San Francisco; you don't mean the San Francisco Bay Area.

A. No, sir, this is the city. It involves the barge haul, and Western Pacific serves on the West Bay or West Shore of the Bay only.

Q. And they serve numerous points on the East Bay of San Francisco?

A. Yes, sir.

Q. In the San Francisco Bay Area?

A. Yes, sir.

[fol. 475] Q. And then on those moves, of course, there would be no barge operation at all?

A. On those moves, there wouldn't, but San Francisco, Stockton and Los Angeles are major points of traffic origination or termination.

Q. Yes. I realize that, but the point I wanted to establish was that all of our traffic into the Bay Area does not have to be barged unless it is going to or coming from San Francisco, the city?

A. That is correct, or Alameda.

Q. Mr. Wascoe, I, of course, don't want you to answer this question unless you know the answer.

Mr. Burkett: I assure you he will not.

Mr. Farrell: That is a good horse.

By Mr. Treanor:

Q. If we are such an insignificant, inefficient organization, why is your company trying so hard to keep us from being competitive on the rates?

Mr. Burkett: Objection.
Exam. Wright: I will sustain the objection.
Mr. Treanor: That is all I have, sir.
Mr. Pfrommer: I have—just a minute.
Exam. Wright: Mr. Pfrommer?

By Mr. Pfrommer:

Q. I just want to ask on Sheet 1 of Exhibit 33, Mr. Wascoe, where you show San Francisco to Portland, Southern Pacific route via Stockton-Roseville, and Southern [fol. 476] Pacific route via Oakland, I am still not clear when you say via Stockton and Roseville.

Does that mean that the traffic then, your mileages, your engine districts and everything are figured via Altamont Pass?

A. The one via Roseville-Stockton are via Altamont Pass; the one via Davis is via Davis-Martinez-Oakland.

Q. And that is used only in connection with the traffic that can be trucked over the bridge?

A. Not for Oakland.

Mr. Burkett: Now, will you read that question, please?
Exam. Wright: The reporter will read the question.

(Question read.)

Mr. Burkett: You mean the route by way of Davis rather than the Altamont Pass, don't you, Mr. Pfrommer?

Mr. Pfrommer: The heading doesn't say anything about Oakland. It says San Francisco to Portland. If it means the City of San Francisco, it has to cross water.

By Mr. Pfrommer:

Q. Do you mean the San Francisco Bay Area there in the heading?

A. No, I meant San Francisco. The traffic could come via Oakland around the Bay.

Q. Around the Dumbarton Bridge?

A. That is right. That is 60 miles, so you might have 60 more miles.

Q. What is actually on the second line under the heading, [fol. 477] "San Francisco to Portland," what have you actually figured there? What do you actually show into the City of San Francisco?

A. That really was just to show the movement of either LCL or TOFC traffic which is moved into Oakland.

Q. Are those figures—

A. And then handled by truck over to San Francisco.

Q. And that is all?

A. That is all. There is no carload traffic going by truck that is under Southern Pacific billing.

Mr. Pfrommer: All right, thank you.

Redirect examination.

By Mr. Burkett:

Q. Mr. Wascoe, does the Southern Pacific route via Roseville, California, Stockton, California, include a movement over Altamont Pass?

A. Yes.

Q. Does it include a movement across Dumbarton Bridge?

A. Yes.

Q. And is it an all-rail movement between Portland and San Francisco proper?

A. Yes.

Q. All right. Now, supposing we did want to draw a comparison of the transportation conditions of these respective routes between Oakland, California, and Portland, Oregon. Could we do that by looking at lines 2, 3 and 4 of the head- [fol. 478] ing between Portland and San Francisco, and merely disregarding the truck and barge movements across the Bay?

A. Yes.

Q. That is the distance—

A. Except for the miles. The Southern Pacific truck miles are ten miles, as indicated on—11 miles, I am sorry, indicated on Sheet 7.

The Western Pacific barge miles are five, as indicated on Sheet 8, and the Santa Fe miles from Richmond are ten.

Q. Then we could get the mileages merely by deducting these mileages to which you have referred from the 732, the 880, and the 866 miles shown on your exhibit?

A. That is correct.

Q. Yes. And now what would the degrees of curvature be between Oakland and Portland?

A. There would be no change.

Q. And how about the feet of rise?

A. No change.

Q. And how about the material appearing in Columns F, G and H?

A. No change.

Mr. Burkett: Thank you, sir.

The Witness: These are just the rail movement, the degrees of curvature and feet of rise and equivalent rise.

Exam. Wright: Does that conclude your redirect?

[fol. 479] Mr. Burkett: Yes, sir.

Exam. Wright: Any recross?

Mr. Treanor: No.

Offers in Evidence

Mr. Burkett: I offer in evidence Exhibits Nos. 33, 34 and 35.

Exam. Wright. Any objections?

Mr. Treanor: No, sir.

Exam. Wright: Exhibits 33, 34 and 35 are received in evidence.

(Intervenors' Exhibits Nos. 33, 34 and 35, Witness Wascoe, were received in evidence.)

* * * * * * *

[fol. 481] Secretary's certificate to exhibits (omitted in printing).

EXHIBIT No. 1
I.C.C. Docket No. 33679

[fol. 482]

BEFORE THE INTERSTATE COMMERCE COMMISSION

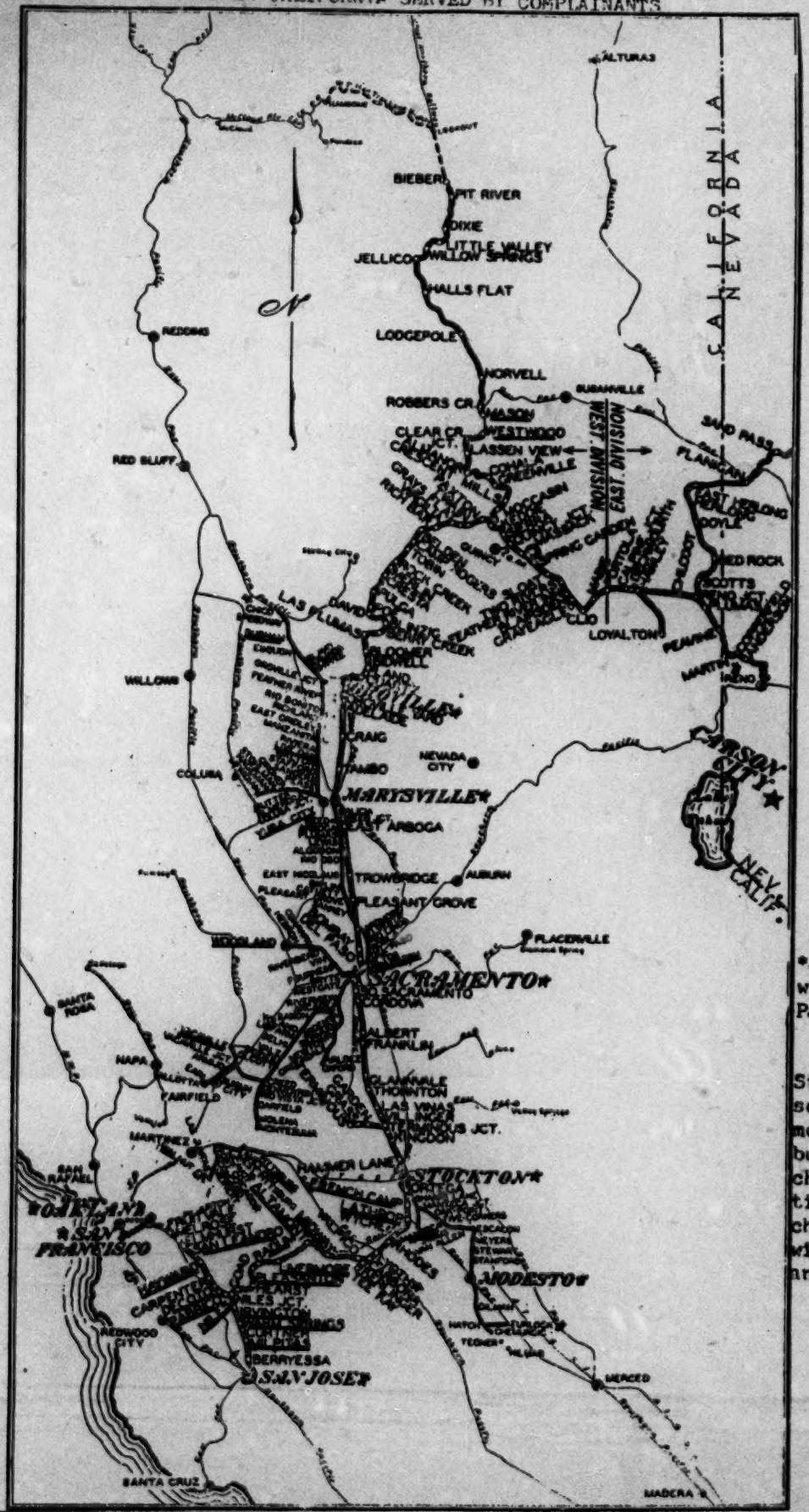
EXHIBIT No. 1

BEFORE THE INTERSTATE COMMERCE COMMISSION

EXHIBIT No. 2

[fol. 483]

POINTS IN CALIFORNIA SERVED BY COMPLAINANTS



*Junction point with Southern Pacific Company.

Stations underscored are common with SP Co. but lack interchange facilities to interchange freight with complainants'.

[fol. 484]

BEFORE THE INTERSTATE COMMERCE COMMISSION

EXHIBIT No. 3

Tables of Statistical and Other Data Referred to by Witness Wadsworth's Prepared Statement.

Table 1
Miles of line operated by complainants in California

Line	Miles of line operated
SN	338
TS	57
WP	592
Total	987

Table 2
Representative cities in California served by complainants

City	Population 1950	Population 1960	City	Population 1950	Population 1960
San Francisco	775,357	740,316	Modesto	17,389	36,585
Oakland	384,575	367,548	Turlock	6,235	9,116
Alameda	64,430	63,855	Sacramento	137,572	191,667
Hayward	14,272	72,700	Marysville	7,826	9,553
San Jose	95,280	204,196	Yuba City	7,861	11,507
Stockton	70,853	86,321	Oroville	5,387	6,115
Walnut Creek	2,420	9,903	Chico	12,272	14,757
Concord	6,963	36,208			

Table 3
Tariffs containing rates between California and Oregon-Washington and Northern Idaho.

PSFB Tariff Number	ICC Number	Tariff contains rates on
1-S	1352	Miscellaneous commodities
60-M	1420	Fresh fruits and vegetables
80-I	1536	Lumber and Forest Products
241-E	1577	Grain and Grain Products
295-D	1677	TOFC rates on Miscellaneous Commodities
297-D	1678	TOFC rates on Automobiles
1016	1590	Class rates

[fol. 486]

Table 4
Present routes via Bieber

Between points on	And points on	Rates apply via
1. WP	GN	WP-Bieber-GN
2. SN	GN	SN-Sacramento or Marysville-thence WP-Bieber-GN
3. TS	GN	TS-Stockton-thence WP-Bieber-GN
4. AT&SF	GN	ATSF-Stockton thence WP-Bieber-GN

Table 5

Interchange points between GN-NP and GN-UP	
Portland, Oregon	GN and NP, GN and UP
Vancouver, Wash.	GN and NP, GN and UP
Chehalis, Wash.	GN and NP
Centralia, Wash.	GN and NP, GN and UP
Tacoma, Wash.	GN and NP, GN and UP
Seattle, Wash.	GN and NP, GN and UP
Everett, Wash.	GN and NP
Sedro Wooley, Wash.	GN and NP
Bellingham, Wash.	GN and NP
Adrian, Wash.	GN and NP
Spokane, Wash.	GN and NP, GN and UP
Sand Point, Idaho	GN and NP
Oakesdale, Wash.	GN and UP
Atlas, Idaho	GN and NP
Coeur d'Alene, Idaho	GN and NP
Palouse, Wash.	GN and NP
Moscow, Idaho	GN and NP, GN and UP
Bend, Oregon	GN and UP

Table 6

Stations served by GN-NP-UP without interchange facilities

Adrian, Wash..... GN-NP	*Ostrander, Wash.....GN-NP-UP
Argo, Wash..... GN-UP	Parkwater, Wash.....GN-NP
Auburn, Wash..... GN-UP-NP	Puyallup, Wash.....GN-NP-UP
Bucoda, Wash..... GN-UP-NP	Rainier, Wash.....GN-NP
*Castle Rock, Wash... GN-UP-NP	Reservation, Wash.....GN-NP
Christopher, Wash... GN-NP	Rhodes, Wash.....GN-NP
Colfax, Wash..... GN-UP	*Ridgefield, Wash.....GN-NP-UP
Dishman, Wash..... GN-UP	*Rocky Point, Wash.....GN-NP-UP
Garfield, Wash..... GN-UP-NP	Rosalia, Wash.....GN-NP
Hillhurst, Wash..... GN-NP	Roy, Wash.....GN-NP
*Kalama, Wash..... GN-NP-UP	Snohomish, Wash.....GN-NP
*Kelso, Wash..... GN-NP-UP	Sumner, Wash.....GN-NP-UP
Kent, Wash..... GN-NP-UP	Thomas, Wash.....GN-NP-UP
Lakeview, Wash..... GN-NP	Thornton, Wash.....GN-UP
Lowell, Wash..... GN-NP	*Vader, Wash.....GN-NP-UP
McChord Field, Wash. GN-NP	Wabash, Wash.....GN-NP-UP
Meeker, Wash..... GN-NP	Wetico, Wash.....GN-NP
Millwood, Wash..... GN-NP	*Winlock, Wash.....GN-NP-UP
Mobase, Wash..... GN-NP	*Woodland, Wash.....GN-NP-UP
*Napavine, Wash..... GN-NP-UP	Yelm, Wash.....GN-NP
*Olequa, Wash..... GN-NP-UP	Gibbs, Idaho.....GN-NP
	Huetter, Idaho.....GN-NP
	Post Falls, Idaho.....GN-NP

*located on joint track

[fol. 488]

Table 7

Between	And	Applicable Charges
1. NP or UP points common with GN and having interchange with GN per Table 5.	Points on complainants which are common with SP per Tables 8 and 9	Thru rates via Bieber-GN plus switching charges of NP or UP, which GN absorbs.
	All other points on complainants	Thru rates via Bieber-GN plus switching charges of NP or UP which GN does not absorb.
2. NP or UP points common with GN but having no interchanges with GN per Table 6.	Complainants' points common with SP and having interchanges with SP per Table 8	Thru rates via SP thru Portland thence NP or UP, plus switching charges of complainants which SP absorbs.
	All other points on complainants	Combination of line haul rates.
3. All other points on NP and UP such as shown by Table 1/	Complainants' points common with SP and having interchanges with SP per Table 8	Thru rates via SP thru Portland thence NP or UP, plus switching charges of complainants which SP does not absorb.
	All other points on complainants	Combination of line-haul rates.

Table 8
Interchange points between complainants and SP

Station	Interchange Between	and	Station	Interchange Between	and
San Francisco	WP	SP	Stockton	WP	SP
Oakland	WP	SP	Stockton	TS	SP
San Jose	WP	SP	Modesto	TS	SP
Lyoth	WP	SP	Turlock	TS	SP
Las Juntas	SN	SP	Sacramento	WP	SP
McAvoy	SN	SP	Sacramento	SN	SP
Port Chicago	SN	SP	Marysville	WP	SP
Chico	SN	SP	Marysville	SN	SP
			Oroville	WP	SP

Table 9
Common points between complainants and SP but without interchange facilities

Station	Served by	Station	Served by
Concord	SN,SP	French Camp	WP,SP
Walnut Creek	SN,SP	Manteca	TS,SP
Hayward	WP,SP	Pittsburg	SN,SP
San Leandro	WP,SP	Vacaville	SN,SP
Decoto	WP,SP	Woodland	SN,SP
Fabrico	WP,SP	Swanston	SN,SP
Fremont (Niles)	WP,SP	Yuba City	SN,SP
Irvington	WP,SP	Live Oak	SN,SP
Warm Springs	WP,SP	Durham	SN,SP
Milpitas	WP,SP	Mason	WP,SP
Pleasanton	WP,SP	Westwood	WP,SP
Livermore	WP,SP	Herlong	WP,SP
Lathrop	WP,SP		

Table 10
Representative stations served only by complainants

Station	Served by	Station	Served by
Chadbourne	SN	Portola	WP
Chemurgic	TS	Reed	SN
Clarksburg	SN	Rhodes	WP
Crescent Mills	WP	Simms	TS
Curtner	WP	Sloat	WP
East Nicolaus	WP	Sorroca	SN
Grass	WP	Sutter	SN

(continued on following page)

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Table 10 continued

Station	Served by	Station	Served by
Greenville	WP	Terminous	WP
Loyalton	WP	Thornton	WP
McHenry	TS	Villinger	WP
Oxford	SN	Willotta	SN

Table 11

Representative unabsorbed switching charges of NP and UP, applicable to shipments moving via Bieber from or to points served exclusively by complainants.

Station	UP		NP	
	Charges	Tariff	Charges	Tariff
Spokane, Wash.	$9.20 or $14.95 per car depending upon switching zone	UP 9001-D, ICC 5457 item 480	$9.20 per	NP 1605-K, ICC 9912 Item 70
Seattle, Wash.	$9.20 per car	Same as above, but in item 420	From $4.61 to $34.48 per car, depending upon switching zone	NP 333-B, ICC 9801 Item 110
Tacoma, Wash.	$8.06 or $9.20 per car depending upon zone	same as above, but in item 535-B	from $6.81 to $24.15 per car depending upon weight and zone	NP 3425-G, ICC 9803 Items 110, 115, 120
Various other stations in Oregon, Washington and Idaho	(1) 76¢ per net ton, minimum $17.49 per car	same as above, but in item 170	$20.81 per car	NP 91-M, ICC 9804 Item 310
	(2) $17.76 per car	same as above, but in item 175		

(1) Applies at Moscow, Idaho and Oakesdale, Washington

(2) Applies at Centralia, Washington

Table 12
Stations located exclusively on NP or UP or their short line connections

Station	Population 1950	Population 1960
Idaho:		
Grangeville,CP	2,544	3,642
Kellogg-Wardner	4,913	5,061
Lewiston,NP,CP	12,985	12,691
Wallace,NP,UP	3,140	2,412
Oregon:		
Baker,UP	9,471	9,986
Hermiston,UP	3,804	4,402
Milton-Freewater WWV,UP	....	4,110
Pendleton,UP,NP	11,774	14,434
The Dalles,UP	7,676	10,493
Washington:		
Aberdeen,NP,UP, M	19,653	18,741
Bellevue,NP	10,002	12,809
Bremerton,NP	27,678	28,922
Dayton, NP,UP	2,979	2,913
Ellensburg,NP,M	8,430	8,625
Hoquiam,NP,UP,M	11,123	10,762
Kirkland,NP	4,713	6,025
Medical Lake,NP	4,488	4,765
Olympia,NP,UP	15,819	18,273
Pullman,NP,UP	12,022	12,957
Raymond,NP,M	4,110	3,301
Renton,NP,M,P	16,039	18,453
Richland,NP,UP	....	23,548
Shelton,NP	5,045	5,651
Sunnyside,NP,UP	4,194	6,208
Toppenish,NP	5,265	5,667
Walla Walla, NP, UP,WWV	24,102	24,536
Wapato,NP	3,185	3,127
Yakima,NP,UP	38,486	43,284

Sources of population statistics: U.S. Department of Commerce, Bureau of the Census, reports for the states shown in Table 12.

M: Chicago, Milwaukee, St. Paul & Pacific RR.
CP: Camas Prairie RR
P: Pacific Coast RR
WWV: Walla Walla Valley RR.

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Table 13
Tariffs containing complainants' switching charges

Tariff issued by	Tariff number	ICC number	Item number
WP	35-J	248	460
SN	5-C	47	670
TS	5-F	54	260 and 300

Table 14
Shipments via Santa Fe between California and Oregon-Washington

Year	Via Bieber	In Connection with SP	Excess via Bieber
1955	34,077	7,084	26,993
1956	32,003	9,050	24,953
1957	28,704	6,476	22,228
1958	28,655	5,479	23,176
1959	31,471	8,043	23,428
5-Year Average	30,982	7,226	23,756

Table 15
Potential traffic via Bieber to or from NP or UP and originating or terminating on Santa Fe

Year	Carloads		
	Northbound	Southbound	Total
1955	2,961	4,123	7,084
1956	3,926	5,124	9,050
1957	2,820	3,656	6,476
1958	2,568	2,911	5,479
1959	2,783	5,260	8,043
5-Year Average	3,012	4,215	7,226

Table 16
Traffic shipped via Bieber to or from points on NP and UP
(other than cast iron pipe)

Kinds of traffic	Carloads	
	1959	1960
Government traffic	3	5
Commercial traffic	16	6
Total	19	11

Table 17
Government shipments to NP and UP points via Bieber
(to Fort Lewis, Washington)

Commodity	Year	Cars	From	Routes
Explosives	1959	1	Herpoco	AT&SF-Stockton-WP-Bieber-GN-Portland-NP
Generators		1	Lathrop	WP-Bieber-GN-Spokane-NP
Misc. Mdse.		1	Lyoth	WP-Bieber-GN-Tacoma-NP
Misc. Mdse.	1960	2	Lyoth	WP-Bieber-GN-Tacoma-NP
Medical Stores		1	Lyoth	WP-Bieber-GN-Portland-NP
Canned Goods		1	Lyoth	WP-Bieber-GN-Bend-UP
Canned Goods		1	Lyoth	WP-Bieber-GN-Tacoma-NP

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Table 18
Commercial shipments to or from NP and UP points
via Bieber in 1959 and 1960

Commodity	From	To	Route
1959			
Furniture	Inglewood	Spokane, Wash.	AT&SF-WP-GN-Seattle-NP
Soap	Los Angeles	Bellevue	AT&SF-WP-GN-Seattle-NP
Cereals	Oakland	Bellevue	WP-GN-Portland-NP
Celery	San Jose	Bellevue	WP-GN-Seattle-NP
Canned Goods	Oakland	Bellevue	WP-GN-Seattle-NP
Tomatoes	Yuba City	Bellevue	SN-WP-GN-Portland-NP
Potatoes	Shafter	Olympia	AT&SF-WP-GN-Portland-NP
Steel Plates	Kaiser	Fir, Oregon	AT&SF-WP-GN-Portland-UP
Cans	San Francisco	Fir	AT&SF-WP-GN-Portland-UP
Anti-freeze	Torrance	Bothell, Wash.	AT&SF-WP-GN-Seattle-NP
Cathode ray tubes	Fullerton	Seattle	AT&SF-WP-GN-Portland-NP
Scrap tires	Seattle	Los Angeles	UP-Portland-GN-WP-AT&SF
Scrap iron	Kennewick	Decoto	NP-Portland-GN-WP
Scrap iron	Yakima	Decoto	NP-Portland-GN-WP
Scrap iron	Lewiston, Idaho	Decoto	UP-Portland-GN-WP
Potatoes	Connell, Wash.	Hayward	UP-Portland-GN-WP
1960			
Metal Conduits	San Leandro Calif.	Olympia, Wash.	WP-GN-Portland-UP
Tanks	Stockton	Woodinville	WP-GN-Seattle-NP
Scrap iron	San Francisco	Troutdale, Ore.	WP-GN-Portland-UP
Pulpboard	Antioch	Wallula, Wash.	AT&SF-WP-GN-Portland-UP
Newsprint (2 cars)	Steilacoom, Wash.	San Francisco	WP-Tacoma-GN-WP UP

Source of Tables 17 and 18: WP Accounting Department's Official Records.

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BEFORE THE INTERSTATE COMMERCE COMMISSION

EXHIBIT No. 4

Copies of pages of Pacific Southcoast Freight Bureau Tariff 1-S, ICC 1352, containing present routing arrangements in effect via the Southern Pacific Company via Portland, Oregon, thence via the Northern Pacific Railway or Union Pacific Railroad Company.

SECTION 6

ROUTING FOR RATES IN SECTIONS 4, 4-A OR 5, APPLICABLE VIA OR IN CONNECTION WITH SP
When the rate applies from a point on a line shown in Column 1, the route should be read from left to right.
When the rate applies from a point on a line shown in Column 2, the route should be read from right to left.
(See pages 102 to 119 for points designated by Index Nos.)

ROUTING TO (OR FROM) POINTS ON SP, OR TO (OR FROM) ORE. JUNCTIONS WITH SP		ROUTING FROM (OR TO) ORE. JUNCTIONS WITH SP	
COLUMN 1	VIA	VIA	COLUMN 2
FROM (OR TO) POINTS ON			TO (OR FROM) POINTS ON
ATSF (Index Nos.):		Portland (Park St.), Ore., NP, Sumas, Wash.-Huntingdon, B. C.	BCE
25, 45 to 60, 103 to 120, 130 to 215	Stockton, Cal., SP	Portland (Park St.), Ore., NP (via Pasco, Wash.), Riparia, Wash	
65 to 85	Port Chicago or ①Stockton, Cal., SP	Portland (Park St.) or East Portland, Ore., SP&S, Pasco, Wash., NP, Riparia, Wash	CamP
90 to 95	Pittsburg or ①Stockton, Cal., SP	Portland (Park St.) or East Portland, Ore., UP, Riparia, Wash	
100 (when taking Group 15 rates)	Stockton, Cal., SP	Portland (Park St.), Ore., NP, Sumas, Wash.-Huntingdon, B. C.	CP-W (except V&LI Branch, Index Nos. 20360 to 20395)
100 (when taking Group 16 rates) (see Note 3)	Pittsburg or ①Stockton, Cal., SP	Portland (Park St.), Ore., NP, Sumas, Wash.-Huntingdon, B. C., BCE, New Westminster, B. C.	CP-W (V&LI Branch), viz.: Index Nos. 20360 to 20395
220 to 520	Stockton or Fresno, Cal., SP		CMSP&P (Index Nos.):
525 to 625, 715, 1065 to 1150	Stockton, Fresno or Bakersfield, Cal., SP	Portland (Park St.), Ore., GN or NP, Chehalis, Wash	10085 to 10105
630 to 660, 725 to 740, 840 to 910	Stockton, Fresno, Bakersfield, Colton or Los Angeles, Cal., SP	Portland (Park St.) or East Portland, Ore., UP, Chehalis, Wash	8850 to 8965, 8910 to 8970, f10085 to f10105
665 to 710, 720, 750 to 835, 925 to 1060	Stockton, Fresno, Bakersfield or Los Angeles, Cal., SP	⑦Portland (Park St.) or East Portland, Ore., UP, Chehalis, Wash	
CCT: Index Nos. 1260 to 1365	Sacramento, Cal., SP	⑥Portland (Park St.) or East Portland, Ore., UP, Seattle, Wash	8990 to 10095, 10120, 10125
HI	El Centro, Cal., SP	Portland (Park St.), Ore., GN or UP, Chehalis, Wash	f10000 to f10080
NN	Cobre, Nev., SP	Portland (Park St.) or East Portland, Ore., UP, Marengo, Wash	10130 to 10275
NWP	Schellville, Cal., SP	Portland (Park St.) or East Portland, Ore., UP, Plummer, Ida	10285 to 10385
PE (Index Nos.):		aPortland (Park St.) or East Portland, Ore., UP Spokane, Wash	10095d to 10105
1840 to 2155, 2210 to 2302, 2375	Los Angeles, Cal., SP	δ^Portland (Park St.), Ore., GN or NP, Rocky Point, Wash	Cal&C
2185	④Los Angeles, Cal., SP ②San Fernando, Cal., SP	δ^Portland (Park St.), or East Portland, Ore., UP, Rocky Point, Wash	
2200	④Los Angeles, Cal., SP ⑤Glendale, Cal., SP		GN (Index Nos.):
2305 to 2370, 2380 to 2390	Los Angeles or Colton, Cal., SP	⑥Chemult, Ore	10087 to 10705, 11505 to 11545, 11550 to 11560, 11567[10], 11569[6], 11569[9], 11568[13], 11569[4], 11569[12]
PMT: Index Nos. 5650 to 5660	Lone Pine, Cal., SP	Portland (Park St.), Ore	10710 to 10725, 10735 to 11455, 11465 to 11500
P&SR	Petaluma, Cal., NWP, Schellville, Cal., SP	Portland (Park St.) or ⑥Chemult, Ore	11460, 11546, 11565, 11575
SMV	Guadalupe, Cal., SP	Portland (Park St.) or ⑥Chemult, Ore	11570, 11840, 11875
SRR	Oakdale, Cal., SP	Portland (Park St.) or East Portland, Ore., SP&S, Spokane, Wash	
SP:		⑥Chemult, Ore	11505 to 11567[9], 11567[11] to 11569[4], 11569[6] to 11569[8], 11569[10] to 11569[12], 11569[14] to 11569[3], 11569[5] to 11569[11], 11580 to 11835, 11845 to 11870, 11880 to 11940
All points (see Note 2)	SP	Portland (Park St.) or East Portland, Ore., SP&S, Spokane, Wash	
Index Nos. 3360 (see Note 1) to 3370, 3400 to 3405	①Port Chicago, Cal., ATSF, Stockton, Cal., SP		
Index Nos. 3410 to 3425	①Pittsburg, Cal., ATSF, Stockton, Cal., SP		
Index No. 5071	②Los Angeles, Cal., PE, Los Angeles, Cal., SP		
STE: Index No. 6775	Stockton, Cal., SP		
SunRy: Index Nos. 6830 to 6865	Bakersfield, Cal., SP		
UP (Index Nos.):			
6990 to 7010, 7025 to 7075, 7140	Los Angeles, Cal., SP		
7085 to 7135, 7145	Los Angeles or Colton, Cal., SP		
VC	Oxnard, Cal., SP		
VE (Index Nos.): 7300 to 7365	Exeter, Cal., SP		
WP (Index No.): 7840	Marysville, Cal., SP		

NP routing for Indices 13520 to 13180 transferred to 26th Revised Page 535.

δReduction. (JT-8055) ^Change; no increase or reduction, except as noted.
fApplies only in connection with traffic originating at or destined to points on the ATSF, PE, SP, TRy, UP or VE.
④Applies only in connection with shipments destined to points on CMSP&P. ⑤Does not apply via Pelida, Wash.
⑦Applies only in connection with shipments originating at points on CMSP&P.
a—Applies only from points on SP and PE in Group 17A and only in connection with transit privileges on Iron and Steel at Spokane, Wash., on UP as provided in Section 29 of NPCFB Tariff 117-B, ICC 935.
For Explanation of Notes and other Reference Marks, see Page 536A.

SECTION 6

ROUTING FOR RATES IN SECTIONS 4, 4-A OR 5, APPLICABLE VIA OR IN CONNECTION WITH SP

When the rate applies from a point on a line shown in Column 1, the route should be read from left to right.
When the rate applies from a point on a line shown in Column 2, the route should be read from right to left.
(See pages 103 to 119 for points designated by Index Nos.)

ROUTING TO (OR FROM) POINTS ON SP, OR TO (OR FROM) ORE. JUNCTIONS WITH SP		ROUTING FROM (OR TO) ORE. JUNCTIONS WITH SP	
COLUMN 1 FROM (OR TO) POINTS ON	VIA	VIA	COLUMN 2 TO (OR FROM) POINTS ON
ATSF (Index Nos.): 25, 45 to 60, 105 to 120, 130 to 215	Stockton, Cal., SP		NP (Index Nos.): 13520
65 to 85	Port Chicago or ①Stockton, Cal., SP	⑥East Portland, Ore., UP, North Portland Ore.	
90 to 95	Pittsburg or ①Stockton, Cal., SP	Portland (Park St.), Ore.	12130 to 13120 (see Note 4)
100 (when taking Group 15 rates)	Stockton, Cal., SP	Portland (Park St.), Ore.	
100 (when taking Group 16 rates) (see Note 3)	Pittsburg or ①Stockton, Cal., SP	Portland (Park St.) or East Portland, Ore., SP&S, Pasco, Wash.	13125
220 to 530	Stockton or Fresno, Cal., SP	Portland (Park St.), Ore.	13127 to 13180
535 to 625, 715, 1005 to 1150	Stockton, Fresno or Bakersfield, Cal., SP	Portland (Park St.), Ore.	13186 to 13310, 13313 to 13315, ⑥13320, 13325 to 13345, 13360 to 13740, ⑦13745 to ⑦13810, 13855 to 13950, ③13960 to ③13995, ⑦14005 to ⑦14055
630 to 660, 725 to 760, 840 to 910	Stockton, Fresno, Bakersfield, Colton or Los Angeles, Cal., SP	Portland (Park St.) or East Portland, Ore., SP&S, Pasco, Wash.	
665 to 710, 720, 750 to 835, 925 to 1000	Stockton, Fresno, Bakersfield or Los Angeles, Cal., SP	Portland (Park St.), Ore.	14060 to 14240
CCT (Index Nos.): 1250 to 1305	Sacramento, Cal., SP	Portland (Park St.) or East Portland, Ore., SP&S, Pasco or Spokane, Wash.	
HI	El Centro, Cal., SP	Portland (Park St.), Ore.	
NN	Colton, Nev., SP	Portland (Park St.), Ore., NP (via Pasco, Wash.), Riparia, Wash., CamP, Arrow, Ida.	
NWP	Schellville, Cal., SP	Portland (Park St.) or East Portland, Ore., SP&S, Pasco or Spokane, Wash.	14245 to 14365
PE (Index Nos.): 1840 to 2155, 2210 to 2302, 2375	Los Angeles, Cal., SP	Portland (Park St.) or East Portland, Ore., SP&S, Pasco, Wash., NP, Riparia, Wash., CamP, Arrow, Ida.	
2185	①Los Angeles, Cal., SP ②San Fernando, Cal., SP	Portland (Park St.), Ore.	14300
2300	①Glendale, Cal., SP ②Los Angeles, Cal., SP	Portland (Park St.) or East Portland, Ore., SP&S, Pasco, Wash.	
2305 to 2370, 2380 to 2390	Los Angeles or Colton, Cal., SP	Portland (Park St.), Ore.	
PMT: Index Nos. 5650 to 5660	Lone Pine, Cal., SP	Portland (Park St.) or East Portland, Ore., SP&S, Pasco or Spokane, Wash.	14303, 14315
PSR	Petaluma, Cal., NWP, Schellville, Cal., SP	Portland (Park St.) or East Portland, Ore., UP, Spokane, Wash.	
SMV	Guadalupe, Cal., SP	Portland (Park St.), Ore.	14305 to 14310
SRR	Oakdale, Cal., SP	Portland (Park St.) or East Portland, Ore., SP&S, Pasco or Spokane, Wash.	
SP: All points (see Note 2)	SP	(Routing for NP concluded on next page.)	
Index Nos. 2360 (see Note 1) to 2370, 2400 to 2405	①Port Chicago, Cal., ATSF, Stockton, Cal., SP		
Index Nos. 2410 to 2425	①Pittsburg, Cal., ATSF, Stockton, Cal., SP		
Index No. 5871	①Los Angeles, Cal., PE, Los Angeles, Cal., SP		
STE: Index No. 6775	Stockton, Cal., SP		
Souby: Index Nos. 6830 to 6865	Bakersfield, Cal., SP		
UP (Index Nos.): 6950 to 7010, 7025 to 7075, 7140	Los Angeles, Cal., SP		
7085 to 7135, 7145	Los Angeles or Colton, Cal., SP		
VC	Oxnard, Cal., SP		
VE (Index Nos.): 7300 to 7365	Exeter, Cal., SP		
WP: Index No. 7940	Marysville, Cal., SP		

①Applies only via Cheney, Wash.
②Applies only via Portland (Park St.), Ore., NP, direct.
⑦Applies only via Schlomer, Wash.
⑧Applies only on tin plate transited on the Union Pacific at St. Johns, Ore.
△For routes in effect prior to effective date hereof, see 37th Revised Page 534.
For Explanation of Notes and other Reference Marks, see Original Page 536A.

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SECTION 6

ROUTING FOR RATES IN SECTIONS 4, 4-A OR 5, APPLICABLE VIA OR IN CONNECTION WITH SP

When the rate applies from a point on a line shown in Column 1, the route should be read from left to right.
When the rate applies from a point on a line shown in Column 2, the route should be read from right to left.
(See pages 102 to 119 for points designated by Index Nos.)

ROUTING TO (OR FROM) POINTS ON SP, OR TO (OR FROM) ORE. JUNCTIONS WITH SP		ROUTING FROM (OR TO) ORE. JUNCTIONS WITH SP	
COLUMN 1			
FROM (OR TO) POINTS ON (CJT-1433)	VIA	VIA	COLUMN 2
			TO (OR FROM) POINTS ON
ATSF (Index Nos.):			NP (Concluded) (Index Nos.):
25, 45 to 60, 105 to 120, 130 to 215	Stockton, Cal., SP	Portland (Park St.), Ore.	14317 to 14480
65 to 85	Port Chicago or ①Stockton, Cal., SP	Portland (Park St.) or East Portland, Ore., SP&S, Pasco or Spokane, Wash.	
90 to 95	Pittsburg or ①Stockton, Cal., SP		
100 (when taking Group 15 rates)	Stockton, Cal., SP	Portland (Park St.), Ore. (via Paradise and St. Regis, Mont.)	
100 (when taking Group 16 rates) (See Note 3)	Pittsburg or ①Stockton, Cal., SP	Portland (Park St.) or East Portland, Ore., SP&S, Pasco or Spokane, Wash., NP (via Paradise and St. Regis, Mont.)	14535 to 14555
220 to 230	Stockton or Fresno, Cal., SP		
525 to 625, 715, 1065 to 1150	Stockton, Fresno or Bakersfield, Cal., SP	Portland (Park St.), Ore. (via Paradise and St. Regis, Mont.)	
630 to 690, 725 to 740, 840 to 910	Stockton, Fresno, Bakersfield, Colton or Los Angeles, Cal., SP	Portland (Park St.) or East Portland, Ore., SP&S, Pasco or Spokane, Wash., NP (via Paradise and St. Regis, Mont.)	14560 to 14570
665 to 710, 720, 750 to 835, 925 to 1060	Stockton, Fresno, Bakersfield or Los Angeles, Cal., SP	Portland (Park St.) or East Portland, Ore., UP, Wallace, Ida.	
CCT (Index Nos.):		Portland (Park St.), Ore. (via Paradise and St. Regis, Mont.)	
1260 to 1365	Sacramento, Cal., SP	Portland (Park St.) or East Portland, Ore., SP&S, Pasco or Spokane, Wash., NP (via Paradise and St. Regis, Mont.)	14575 to 14625
HI	El Centro, Cal., SP	Klamath Falls, Ore.	OC&E
McCR	Mt. Shasta, Cal., SP	Portland (Park St.) or East Portland, Ore., SP&S, Wishram, Wash.	OT
NN	Cobre, Nev., SP	Portland (Park St.), Ore., GN or NP, Black River Jct. or ④Seattle, Wash.	PCRR
NWP	Schellville, Cal., SP	East Portland, Ore., UP, Black River Jct. or ④Seattle, Wash.	
PE (Index Nos.):		Portland (Park St.), Ore., GN, Vancouver, B. C., CN-W or CP-W, North Vancouver, B. C.	PGE
1840 to 2155, 2210 to 2302, 2375	Los Angeles, Cal., SP	Portland (Park St.), Ore., NP, Sumas, Wash.-Huntington, B. C., thence; 4(a) BCE, New Westminster, B. C., CP-W (V&LI Branch), Vancouver, B. C., CP-W, North Vancouver, B. C. (b) CP-W, North Vancouver, B. C.	
2185	④Los Angeles, Cal., SP ④San Fernando, Cal., SP		
2200	④Glendale, Cal., SP ④Los Angeles, Cal., SP	Portland (Park St.), Ore., UP, Seattle, Wash., IT&BL, Squamish, B. C.	
2305 to 2370, 2380 to 2390	Los Angeles or Colton, Cal., SP	East Portland, Ore.	PT
PMT: Index Nos. 5650 to 5660	Lone Pine, Cal., SP	Portland (Park St.) or East Portland, Ore., UP, Seattle, Wash., CMSP&P, Port Townsend, Wash.	PTS
P&SR	Petaluma, Cal., NWP, Schellville, Cal., SP	(See Column 1)	SP
SMV	Guadalupe, Cal., SP		
SRR	Oakdale, Cal., SP		
SP:			
All points (see Note 2)	SP		
Index Nos. 3360 (see Note 1) to 3370, 3400 to 3405	①Port Chicago, Cal., ATSF, Stockton, Cal., SP		
Index Nos. 3410 to 3425	①Pittsburg, Cal., ATSF, Stockton, Cal., SP		
Index No. 5071	②Los Angeles, Cal., PE, Los Angeles, Cal., SP		
STE: Index No. 6775	Stockton, Cal., SP		
Sunky: Index Nos. 6890 to 6965	Bakersfield, Cal., SP		
⑤TRy	Searles, Cal., SP		
UP (Index Nos.):			
6990 to 7010, 7025 to 7075, 7140	Los Angeles, Cal., SP		
7085 to 7135, 7145	Los Angeles or Colton, Cal., SP		
VC	Oxnard, Cal., SP		
VE (Index Nos.): 7300 to 7365	Exeter, Cal., SP		
WP: Index No. 7840	Marysville, Cal., SP		
YW	Montague, Cal., SP		

4Reduction on north bound traffic.
For Explanation of Notes and other Reference Marks, see Page 536A.

SECTION 6

ROUTING FOR RATES IN SECTIONS 4, 4-A OR 5, APPLICABLE VIA OR IN CONNECTION WITH SP

When the rate applies from a point on a line shown in Column 1, the route should be read from left to right.
When the rate applies from a point on a line shown in Column 2, the route should be read from right to left.
(See pages 102 to 119 for points designated by Index Nos.)

ROUTING TO (OR FROM) POINTS ON SP, OR TO (OR FROM) ORE. JUNCTIONS WITH SP		ROUTING FROM (OR TO) ORE. JUNCTIONS WITH SP	
COLUMN 1	VIA	VIA	COLUMN 2
FROM (OR TO) POINTS ON			TO (OR FROM) POINTS ON
ATSF (Index Nos.):			SI (Index Nos.):
25, 45 to 60, 103 to 120, 130 to 215	Stockton, Cal., SP	Portland (Park St.) or East Portland, Ore., SP&S, Pasco, Wash., NP, Spokane, Wash.	17308
65 to 85	Port Chicago or ⑦Stockton, Cal., SP	Portland (Park St.), Ore., NP, Spokane, Wash.	
90 to 95	Pittsburg or ⑦Stockton, Cal., SP	Portland (Park St.) or East Portland, Ore., UP, Spokane, Wash.	17303, 17305, 17310, 17313, 17314, 17315 to 17310
100 (when taking Group 15 rates)	Stockton, Cal., SP	Portland (Park St.) or East Portland, Ore., SP&S, Spokane, Wash.	17308, 17305, 17310, 17313, 17314
100 (when taking Group 16 rate) (see Note 3)	Pittsburg or ⑦Stockton, Cal., SP	Portland (Park St.) or ⑦Chemult, Ore., GN, Spokane, Wash.	17313, 17314, 17375
220 to 520	Stockton or Fresno, Cal., SP		
525 to 625, 715, 1065 to 1150	Stockton, Fresno or Bakersfield, Cal., SP	Portland (Park St.) or East Portland, Ore.	SP&S (Index Nos.): 17535 to 17546[1], 17547[2], 17548, 17550 to 17890, 18040
630 to 660, 725 to 740, 840 to 910	Stockton, Fresno, Bakersfield, Colton or Los Angeles, Cal., SP	Portland (Park St.) or East Portland, Ore.	
665 to 710, 720, 750 to 835, 925 to 1060	Stockton, Fresno, Bakersfield or Los Angeles, Cal., SP	Chemult, Ore., GN, Bend, Ore., OT, Wishram, Wash.	17535 to 18025
CCT (Index Nos.): 1260 to 1365	Sacramento, Cal., SP		
HI	El Centro, Cal., SP	Portland (Park St.) or East Portland, Ore.	UP (Index Nos.): 18075 to 18105, 18110 to 20270
NN	Cobre, Nev., SP	Portland (Park St.) or East Portland, Ore.	
NWP	Schellville, Cal., SP	Portland (Park St.) or East Portland, Ore., NP, Wallace, Ida.	20050
PE (Index Nos.): 1840 to 2155, 2210 to 2302, 2375	Los Angeles, Cal., SP	Portland (Park St.) or East Portland, Ore., SP&S, Pasco or Spokane, Wash., NP, Wallace, Ida.	
2185	④Los Angeles, Cal., SP ④San Fernando, Cal., SP		
2200	④Los Angeles, Cal., SP ④Glendale, Cal., SP	Portland (Park St.), Ore., NP, Walla Walla, Wash.	WWY
2305 to 2370, 2380 to 2390	Los Angeles or Colton, Cal., SP	Portland (Park St.) or East Portland, Ore., SP&S, Pasco, Wash., NP, Walla Walla, Wash.	
④PMT: Index Nos. 5650 to 5660	Lone Pine, Cal., SP		
PSR	Petaluma, Cal., NWP, Schellville, Cal., SP	Chemult, Ore., GN, Palouse, Wash.	WI&M (Index Nos.):
SMV	Guadalupe, Cal., SP	Portland (Park St.), Ore., NP, Palouse, Wash.	
SRR	Oakdale, Cal., SP	Portland (Park St.), Ore., SP&S, Pasco, Wash., NP, Palouse, Wash.	20695, 20705, 20740, 20745, 20750
SP:		Portland (Park St.), Ore., SP&S, Spokane, Wash., GN, Palouse, Wash.	
All points (see Note 2)	SP	⑥Portland (Park St.), Ore., UP, Plummer, Ida., CMSP&P, Bovill, Ida.	
Index Nos. 3360 (see Note 1) to 3370, 3400 to 3405	⑦Port Chicago, Cal., ATSF, Stockton, Cal., SP		
Index Nos. 3410 to 3425	⑦Pittsburg, Cal., ATSF, Stockton, Cal., SP	Pulp, Portland (Park St.) or East Portland, Ore.	WTCo (Index Nos.): 20690
Index No. 5071	⑦Los Angeles, Cal., PE, Los Angeles, Cal., SP	Portland (Park St.) or East Portland, Ore.	20690, 20905
STE: Index No. 6775	Stockton, Cal., SP		
Sunky: Index Nos. 6630 to 6665	Bakersfield, Cal., SP	Portland (Park St.), Ore., UP, Yakima, Wash.	YVT
UP (Index Nos.): 6960 to 7010, 7025 to 7075, 7140	Los Angeles, Cal., SP		
7085 to 7135, 7145	Los Angeles or Colton, Cal., SP		
VC	Oxnard, Cal., SP		
VE (Index Nos.): 7300 to 7365	Exeter, Cal., SP		
WP: Index No. 7940	Marysville, Cal., SP		

⑦Route does not apply to (or from) Index No. 20750.
⑦Does not apply via Felida, Wash.
④Addition. (RA-8087)
For Explanation of Notes and other Reference Marks, see Original Page 536A.

SECTION 6

ROUTING FOR RATES IN SECTIONS 4, 4-A OR 5, APPLICABLE VIA OR IN CONNECTION WITH SP

EXPLANATION OF NOTES AND REFERENCE MARKS

(Applies only in connection with pages making specific reference hereto)

Note 1—Rates from or to Martinez, Cal. (Index No. 3360), applicable via Port Chicago, Cal., in connection with ATSF, apply only from or to the territory within SP Martinez, Cal., switching limits extending from a point 1125 feet east of Pine Street (Engineer's Station 2500 plus 21.8) to the eastern city limits of Martinez, Cal. (Engineer's Station 2442.0), which is otherwise know as Mococo, Cal.

Note 2—Rates from or to points in Groups 17-A, 17-C and 17-D apply via Mojave and Bakersfield, Cal., only.
Rates from or to points in Group 17-B, vis.: Index Nos. 6615 to 6630 apply via San Luis Obispo, Cal., only.
Rates from or to points in Group 17-B, vis.: Index Nos. 6660, 6665 and 6670 apply via Mojave and Bakersfield or via San Luis Obispo, Cal.

Note 3—Rates from or to Index 100 (Antioch) applicable via Pittsburg, Cal., in connection with SP, apply only from or to the territory within ATSF, Antioch, Cal., switching limits extending between "O" Street on the east (Engineer's Station 1122 plus 08.7) in the western city limits of Antioch, Cal., and a point 1675.9 feet west thereof (Engineer's Station 1105 plus 32.8) on the west. ^For list of industries at Antioch, Cal., embraced within preceding description, see Item 150 of SP Terminal Tariff 230-K, ICC 4960, or Item 4170 of ATSF Local and Joint Freight Tariff 8117-R, ICC 14456.

Note 4—See paragraph (j), Page 530 for internal routing over NP.

①Route does not apply to (or from) points on GN designated by Index Nos. 10690 to 10705, points on OC&E, points in Cal., on SP designated by Index Nos. 15610 to 15620, nor points in Ore., on SP (except Group 26 points).

②Applies only on shipments of Iron or Steel Articles fabricated in transit at Baldwin Park, Cal., on PE under provisions of PSFB Tariff 264-G, ICC 1620.

③Applies from or to points on SP.

④Applies on LCL traffic only.

⑤Applies on carload traffic only.

^Change; no increase or reduction.

[Fol. 500]

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[fol. 501]

BEFORE THE INTERSTATE COMMERCE COMMISSION

EXHIBIT No. 5

ies of pages of Pacific Southcoast Freight Bureau Tariff 1-S,
1352, containing present routing arrangements in effect via
Western Pacific Railroad Company via Bieber, Cal. between
nts in California and points in Oregon, Washington and
thern Idaho.

APPLICATION OF RATES	Item
RATES FROM (OR TO) LONGVIEW, WASH., ON GN, NP OR UP Except where rates are specifically provided from (or to) Longview, Wash., in connection with GN, NP or UP, rates applying from (or to) Kelso, Wash., in connection with GN, NP or UP, also apply from (or to) Longview, Wash., in connection with GN, NP or UP, as the case may be. Rules 4(i), 8(f) and 9(a) of Tariff Circular waived; ICC Permission 85478. (E-121460)	^715-B
RATES FROM AND TO VISALIA, CAL., ON SP Except where through rates are specifically named in this Tariff, and as amended, rates applicable from (or to) 5450 Tulare, Cal., on SP, will also apply from (or to) 5440 Visalia, Cal., via the same routes via which rates from (or to) Tulare, Cal., on SP apply. Rules 4(i), 8(f) and 9(a) of Tariff Circular waived; ICC Permission 85478. (E-121460)	^715-C
RATES VIA ALTURAS LINE OF SPCo. (Applies only on traffic originating at or destined to points in the territory Klamath Falls and north via Mohawk Junction, Springfield or Eugene except will not apply to or via Goshen or Danebo, Oregon) When, because of excess dimensions, a shipment cannot be handled via Gerber, Cal., the shipment will be handled via Alturas, Cal., at rates applicable via Gerber, Cal.	717-A Cancels 717
RATES FROM (OR TO) ZURICH, MONOLA, ABERDEEN, KEARSARGE AND OWENYO, CAL., ON PMT Except where through rates are specifically published, rates named in this Tariff, and as amended, applicable from (or to) Laws, Cal., on PMT will also apply from (or to) Zurich, Monola, Aberdeen, Kearsarge and Owenyo, Cal., via the same routes via which rates from (or to) Laws, Cal., on PMT apply. The form of this publication authorized by ICC Permission 86963. (RA-8087)	‡^718
ROUTES VIA WHICH RATES APPLY: Except where routing is specifically provided immediately in connection with an individual rate, the rates named in Sections 4 and 5, apply from the respective points and to the respective points, only via the routes provided therefor in Section 6, and will not apply from or to points for which no routing is provided in Section 6. (See Exception.) Where specific routing is provided in an individual rate item, the rate applies only via such routing, unless such routing is phrased "Also applies via, etc." or "Rates also apply via, etc.", in which case the rate applies via routes provided in Section 6, as well as via such routing. (See Exception.) Exception—When in the case of pronounced traffic congestion (not an embargo), washout, wreck, or other similar emergency, or through carriers' error, carriers forward shipments via other junction points of the same carriers or via the lines of other carriers parties to the Tariff, the rate to apply will be that named herein via routes provided immediately in connection with rate or in Section 6, but not higher than the rate applicable via the route of movement. Departure from the terms of the amended fourth section of the Interstate Commerce Act, is permitted by authority of ICC Fourth Section Order No. 10600, issued July 25, 1930. ^(a) The routes shown in connection with individual rates and the routes shown in Section 6, are those via which an agreed basis of divisions is in force. ^(b) Unless otherwise specifically provided herein, rates for that portion of the haul over the ATSF apply via routes provided in ATSF Circular 2509, ICC 14127. ^(c) Unless otherwise specifically provided herein, rates for that portion of the haul over PE, apply via routes provided in PE Freight Tariff 270-A, ICC 119. ^(d) Unless otherwise specifically provided herein, rates for that portion of the haul over SP, apply via routes provided in SP GFD Circular 199-G, ICC 5011. (e) Reference to NWP GFD Circular 25-C, ICC 205 eliminated; ^no provisions in effect. ^(f) Unless otherwise specifically provided herein, rates for that portion of the haul over the UP, apply via routes provided in UP Tariff 9069-A, ICC 5313.	720-E
(Applies on Interstate Traffic only) **SUBSTITUTED SERVICE** (Applies only in connection with Southern Pacific Company—Pacific Lines) Cancel; ^provisions otherwise provided in Tariff apply. (RA-8087)	‡725-C
SUBSTITUTION OF MOTOR CARRIER SERVICE FOR RAIL OR WATER SERVICE: LCL shipments handled under this Tariff are made subject to the provisions of National Substituted Freight Service Freight Tariff 420-A, ICC A-4173 (Western Trunk Line Committee, Agent), and where substituted service as authorized therein is performed, rates named herein will apply. Departure from the terms of Tariff Circular 20 to the extent necessary to publish this provision is authorized by special permission of the ICC No. 178475, R-M No. 2137 of October 17, 1939 (Corrected). (File UFOC)	^730-C
SWITCHING, DRAYAGE OR OTHER TRANSFER CHARGES AT INTERMEDIATE INTERCHANGE POINTS: The joint rates published herein include all charges for switching, drayage, or other transfer services at intermediate interchange points on shipments handled through and not stopped for special services at such intermediate interchange points.	735

^Change; no increase or reduction.
‡Effective May 1, 1960. Issued on ten days' notice under authority of ICC Finance Docket No. 20510 and ICC Permission 86963.

SECTION 6.

ROUTING

SPECIAL RULES

(a) Subject to the provisions of Item 720, rates named in this Tariff apply only via routes shown in this section, unless otherwise specifically provided immediately in connection with an individual rate.

(b) The publication of a rate in this Tariff from points in a numbered Group to points in a numbered Group, from individual points to a numbered Group, or from a numbered Group to individual points, does not imply that said rate applies from or to all points in said Group. Rates so published apply only from or to points in Groups for which routing is provided in this Section, or immediately in connection with the rate.

(c) Rates from or to individual points shown on pages 75 to 101 as being Group 19 or Group 20 points, will not apply via, or in connection with the UP., via Salt Lake City, Utah and Huntington, Ore., unless specifically published under the caption "Group 19 points" or "Group 20 points," or unless that routing is specifically shown in rate item.

(d) Rates shown in this Tariff as applicable via routes in connection with SP., apply only via the routes provided on pages 534 to 536.

(e) Rates shown in this Tariff as applicable via routes in connection with WP., via Bieber, Cal. apply only via the routes provided on page 537.

(f) Rates from or to "Group 19" or "Group 20" or from or to individual points published under caption "Group 19 points" or "Group 20 points," apply only via routes provided on page 538.

(g) Rates from or to "Group 26" or from or to individual points published under caption "Group 26 points" apply only via SP., or SP. and Connections, via routes provided on pages 534 to 536.

(h) Rates from or to "Group 27" or "**", or from or to individual points published under caption "Group 27" or "**", apply only via WP. and Connections, via routes provided on page 537.

(i) Eliminated; account Sections 1A and 1B cancelled.

▲(j) Rates shown in this Tariff as applicable via routes in connection with NP from or to Index 12620 to Index 12955 inclusive will apply only via Sumner, Wash. (Index 12610); from or to Index 12690 to Index 12730 inclusive will apply only via Argo, Wash. (Index 12687); and from or to Index 12670 to Index 12680 inclusive will apply only via Renton, Wash. (Index 12650).

**Group 27A eliminated. ▲Change; no increase or reduction.

SECTION 6

ROUTING FOR RATES IN SECTIONS 4, 4-A OR 5, APPLICABLE VIA OR IN CONNECTION WITH SP

EXPLANATION OF NOTES AND REFERENCE MARKS

(Applies only in connection with pages making specific reference hereto)

Note 1—Rates from or to Martinez, Cal. (Index No. 3300), applicable via Port Chicago, Cal., in connection with ATSF, apply only from or to the territory within SP Martinez, Cal., switching limits extending from a point 1125 feet east of Pine Street (Engineer's Station 2500 plus 21.8) to the eastern city limits of Martinez, Cal. (Engineer's Station 2442.0), which is otherwise know as Mococo, Cal.

Note 2—Rates from or to points in Groups 17-A, 17-C and 17-D apply via Mojave and Bakersfield, Cal., only.
Rates from or to points in Group 17-B, vis.: Index Nos. 6615 to 6630 apply via San Luis Obispo, Cal., only.
Rates from or to points in Group 17-B, vis.: Index Nos. 6660, 6665 and 6670 apply via Mojave and Bakersfield or via San Luis Obispo, Cal.

Note 3—Rates from or to Index 100 (Antioch) applicable via Pittsburg, Cal., in connection with SP, apply only from or to the territory within ATSF, Antioch, Cal., switching limits extending between "O" Street on the east (Engineer's Station 1122 plus 08.7) in the western city limits of Antioch, Cal., and a point 1675.9 feet west thereof (Engineer's Station 1105 plus 32.8) on the west. ^For list of industries at Antioch, Cal., embraced within preceding description, see Item 180 of SP Terminal Tariff 230-K, ICC 4960, or Item 4170 of ATSF Local and Joint Freight Tariff 8117-R, ICC 14456.

Note 4—See paragraph (j), Page 530 for internal routing over NP.

①Route does not apply to (or from) points on GN designated by Index Nos. 10690 to 10705, points on OC&E, points in Cal., on SP designated by Index Nos. 15610 to 15620, nor points in Ore., on SP (except Group 26 points).

②Applies only on shipments of Iron or Steel Articles fabricated in transit at Baldwin Park, Cal., on PE under provisions of PSFB Tariff 264-G, ICC 1620.

③Applies from or to points on SP.

④Applies on LCL traffic only.

⑤Applies on carload traffic only.

^Change; no increase or reduction.

SECTION 6

ROUTING FOR RATES IN SECTIONS 4, 4-A OR 5, APPLICABLE IN CONNECTION WITH WP VIA BIEBER, CAL.

When the rate applies from a point on a line shown in Column 1, the route should be read from left to right.
When the rate applies from a point on a line shown in Column 2, the route should be read from right to left.
(See pages 102 to 110, for points designated by Index Nos.)

ROUTING TO (OR FROM) BIEBER, CAL.		ROUTING FROM (OR TO) BIEBER, CAL.	
COLUMN 1 FROM (OR TO) Points on	VIA	VIA	COLUMN 2 TO (OR FROM) Points on (Index Nos.)
ATSF	CL Traffic: Stockton, Cal., WP	GN, New Westminster, B. C.	BCR 8180c, 8181, 8182 8201, 8202, 8203
	LCL Traffic: San Francisco, Oakland or Stockton, Cal., WP	①GN, Chehalis, Wash.	CMSP&P 8850 to 8995, ⑤9000 9010 to 9085, ⑤9090 δ 10000 to δ 10105, 10115 to 10385
B&RN	San Francisco or Western Pacific Mole, Cal., WP		
	San Francisco or Richmond, Cal., ATSF, Stockton, Cal., WP	GN	GN 10650 to 10705
CCT	Sacramento, Cal., WP	①GN	10715 to 11354
MET	CL Traffic: Empire, Cal., ATSF, Stockton, Cal., WP	②GN	11355 to 11560, 11565
	LCL Traffic: Empire, Cal., ATSF, San Francisco, Oakland or Stockton, Cal., WP	③GN	11566 to 11569[12] 11570 to 11940
NN	Shafter, Nev., WP	①GN (via Blaine, Wash.), Vancouver, B. C.	CN-W (formerly NHB) 8038, 8040
SN Index 2545 to 2730 2745 to 2750	Sacramento or Marysville, Cal., WP	GN, Rocky Point, Wash.	Col&C
		GN, Klamath Falls, Ore.	OC&E
2735 2755 to 2800 2810 to 2930	Marysville, Cal., WP	①GN, Portland or Willbridge, Ore.	OE 14760 to 14940
		GN, Bend, Ore.	OT
2805	Sacramento, Cal., WP	①GN, Black River Jct., Wash. (Applies on carload traffic only)	PCRR
SP Index Nos. 3360 (see Note 1) to 3370 3400 to 3405	CL Traffic: Port Chicago, Cal., ATSF, Stockton, Cal., WP	①GN, Seattle, Wash. (Applies on LCL traffic only)	
	LCL Traffic: Port Chicago, Cal., ATSF, San Francisco, Oakland or Stockton, Cal., WP	GN, Vancouver, B. C., CN-W or CP-W, North Vancouver, B. C.	PGE
3410 to 3425	CL Traffic: Pittsburg, Cal., ATSF, Stockton, Cal., WP	①GN, Portland, Ore., SP&S, East Portland, Ore.	PT
	LCL Traffic: Pittsburg, Cal., ATSF, San Francisco, Oakland or Stockton, Cal., WP	②GN, Spokane, Wash.	SI 17303, 17305 to 17345 17350 to 17375
STE	Stockton, Cal., WP	①GN, Portland, Ore.	SP&S 17535, 17546 to 17550 17555 to 17645
SunRy	CL Traffic: Bakersfield, Cal., ATSF, Stockton, Cal., WP	GN, Bend, Ore., OT, Wishram, Wash.	17670 to 17825 17835 to 18035
	LCL Traffic: Bakersfield, Cal., ATSF, San Francisco, Oakland or Stockton, Cal., WP	②GN, Palouse, Wash.	WI&M
TS	Stockton, Cal., WP	①GN, Portland or East Portland, Ore.	WTCo
WP	WP	①GN, Tacoma, Wash.	⁴⑥FL&T

①Does not apply via Spokane, Wash.
②Does not apply via Felida, Wash., except as otherwise provided.
③⁴See routing restriction in connection with Group 29A explanation, page 74.
④⁴See routing restriction in connection with Group 29B explanation, page 74.
⑤Applies only on carload traffic originating (or destined) industries served by the Simpson Logging Co. Railroad on the one hand and (except as otherwise provided in individual rate items) destined (or originating) points on SN, TS or WP routed via Bieber, Cal., on the other.
⑥Applies only in connection with traffic originating at (or destined to) points on the ATSF, SN, TS or WP.
For Explanation of Note 1, see Page 536A.

⁴Change; no increase or reduction.

C—2400—Authy. ML-8186. Issued by M. A. NELSON, Tariff Publishing Officer, 717 Market Street, San Francisco 3, Cal.

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SECTION 6

ROUTING FOR RATES IN SECTIONS 4, 4-A OR 5, APPLICABLE IN CONNECTION WITH WP VIA BIEBER, CAL., NOT OTHERWISE PROVIDED ON PAGE 537

Routing provided below applies only on shipments accorded transit privileges as specifically authorized in connection with each such route.

(See pages 102 to 119, for points designated by Index Nos.)

ROUTING TO BIEBER, CAL.		ROUTING FROM BIEBER, CAL.	
COLUMN 1	VIA	VIA	COLUMN 2
FROM Points on			TO Points on
ATSF Group 17A	Via Routes provided on Page 537.....	⑫GN, Spokane, Wash.....	CMSP&P Index Nos. 10095d to 10105
ATSF	①Stockton, Cal., WP, Marysville, Cal., SN, ◆transit point, SN, Marysville, Cal., WP...	Routes provided on page 537.....	Lines of Carriers party to this Tariff to which routes are provided on page 537.
CCT	①Sacramento, Cal., WP, Marysville, Cal., SN, Yuba City, Cal., SN, Marysville, Cal., WP..		
STE TS	①Stockton, Cal., WP, Marysville, Cal., SN, Yuba City, Cal., SN, Marysville, Cal., WP..		
WP	⑫Marysville, Cal., SN, Yuba City, Cal., SN, Marysville, Cal., WP.....		
	③Sacramento, Cal., SN, Woodland, Cal., SN, Sacramento, Cal., WP.....		
ATSF, MET, SN, TS, WP	Routes provided on page 537.....	⑤⑥GN, Portland or Willbridge, Ore., OE, Hillsboro, Salem or West Woodburn, Ore., OE, Portland or Willbridge, Ore.....	GN In Washington
ATSF		⑬GN, Bend, Ore., OT, Wishram, Wash., SP&S, Vancouver, Wash...	GN Index No. 10730
ATSF WP	Routes provided on page 537.....	⑤⑥GN, Portland or Willbridge, Ore., OE, Albany, Ore., OE, Portland or Willbridge, Ore.....	GN Index No. 10733 to 10930
ATSF SN TS WP	Routes provided on page 537.....	⑤⑥GN, Portland or Willbridge, Ore., OE, Albany, Eugene or Salem, Ore., OE, Portland or Willbridge, Ore...	
		⑤⑥GN, Willbridge, Ore.....	OE Index No. 14755

①Applies in connection with transit privileges on Frozen Fruits, or Vegetables at Yuba City, Cal., on SN, as specifically authorized in Item 3250 of PSFB Tariff 264-G, ICC 1620.

③Applies only in connection with transit privileges on Canned Goods at Woodland, Cal., on SN, as specifically authorized in Item 7085 of PSFB Tariff 194-S, ICC 1607.

▲④Applies only in connection with transit privileges on Dairy Products or Packing House Products at Hillsboro, Salem or West Woodburn, Ore., on OE, as specifically authorized in Item 8000 or Items 19065 or 19070, respectively, of NPCFB Tariff 117-B, ICC 935.

~~④Applies only in connection with shipments of Copper Wire stopped at Albany, Ore., on OE, to partly unload under provisions of NPCFB Tariff 63-Q, ICC 942.~~

⑤Applies only in connection with shipments stopped at Albany, Eugene or Salem, Ore., on OE to partly unload under provisions of NPCFB Tariff 63-Q, ICC 942.

⑥Applies only in connection with shipments stopped at Albany, Eugene or Salem, Ore., on OE, to partly unload, or to complete loading, under provisions of NPCFB Tariff 63-Q, ICC 942.

⑫Applies in connection with transit privileges on Frozen Fruits or Vegetables at Yuba City, Cal., on SN, as specifically authorized in Item 3250 of PSFB Tariff 264-G, ICC 1620 or in connection with transit privileges on Canned Goods at Yuba City, Cal., on SN, as specifically authorized in Item 7085 of PSFB Tariff 194-S, ICC 1607.

⑬Applies only in connection with shipments originating Los Angeles Group 17A on ATSF stopped in transit at Vancouver, Wash., on SP&S to partly unload.

⑬Applies only in connection with transit privileges on Iron and Steel at Spokane, Wash., on GN as provided in Section 29 of NPCFB Tariff 117-B, ICC 935.

◆Applies in connection with transit privileges on Dried Beans, Lentils and Peas, at Sutter, Cal., on SN, as specifically authorized in Item 165 of PSFB Tariff 212-D, ICC 1625.

▲Change; no increase or reduction.

⑧Will not apply via Spokane, Washington.

SECTION 6

ROUTING FOR RATES IN SECTIONS 4, 4-A OR 5, APPLICABLE IN CONNECTION WITH WP, VIA BIEBER, CAL., NOT OTHERWISE PROVIDED ON PAGE 537

Routing provided below applies only on shipments accorded transit privileges as specifically authorized in connection with each such route.

(See pages 102 to 119, for points designated by Index Nos.)

ROUTING TO BIEBER, CAL.		ROUTING FROM BIEBER, CAL.	
COLUMN 1			COLUMN 2
FROM Points on	VIA	VIA	TO Points on
ATSF, SN, WP	Routes provided on page 537	⑤⑫GN, Chehalis, Wash., CMSP&P, Hoquiam, CMSP&P, Chehalis, Wash.	GN Index Nos. 11117, 11119
		⑤⑦GN	GN Index Nos. 11355 to 11565
Lines of Carriers party to this Tariff from which routes are provided on page 537.	Routes provided on page 537	⑤⑧GN, Portland, Ore., SP&S, East Portland, Ore., SP&S, Portland, Ore.	GN Index Nos. 10735 to 11565
		⑤①Sacramento, Cal., SN, North Sacramento, Cal., SN, Sacramento, Cal., WP.	ATSF, WP
ATSF	Routes provided on page 537	⑫GN, Bend, Ore., OT, Wishram, Wash.	SP&S Index No. 18040
GN In Washington.	⑤①GN, Portland or Willbridge, Ore., OE, Hillsboro, Salem or West Woodburn, Ore., OE, Portland or Willbridge, Ore., GN	Routes provided on page 537	ATSF, MET, SN, TS, WP
GN Index Nos.: 10745 to 11363	⑤⑫GN, Vancouver, Wash., SP&S, Wishram, Wash., OT, Bend, Ore., GN	Routes provided on page 537	ATSF WP
GN Index Nos.: 10735 to 10995	⑤⑥Willbridge, Ore., OE, Albany, Ore., OE, Willbridge, Ore., GN	Routes provided on page 537	Lines of Carriers party to this Tariff to which routes are provided on page 537.
11355 to 11565	⑤⑦GN		
OE Index No. 14755	⑤⑥Willbridge, Ore., GN	Routes provided on page 537	ATSF, SN, TS, WP

⑤Will not apply via Spokane, Washington.

①Applies only in connection with transit privilege on Sheet Steel Ware at North Sacramento, Cal., on SN as specifically authorized in Item 5175 of PSFB Tariff 194-S, ICC 1607.

②Applies only in connection with transit privileges on Dairy Products or Packing House Products at Hillsboro, Salem or West Woodburn, Ore., on OE, as specifically authorized in Item 8000 or Items 19065 or 19070, respectively, of NPCFB Tariff 117-B, ICC 935.

⑥Applies only in connection with shipments stopped at Albany, Eugene or Salem, Ore., on OE, to partly unload, or to complete loading, under provisions of NPCFB Tariff 63-Q, ICC 942.

⑦Applies only in connection with shipments stopped at Portland, Ore., or at Pelida, Wash., and points north thereof, on GN, which are direcly intermediate, for transit privileges as authorized in tariffs lawfully on file with the ICC.

⑧Applies only in connection with shipments stopped at East Portland, Ore., on SP&S, to partly unload.

⑨Applies only in connection with transit privileges on Canned Goods at Albany, Ore., on OE, as specifically authorized in Item 11630 of NPCFB Tariff 117-B, ICC 935.

⑫Applies only in connection with shipments stopped at Bend, Ore., on OT to partly unload under provisions NPCFB Tariff 63-Q, ICC 942.

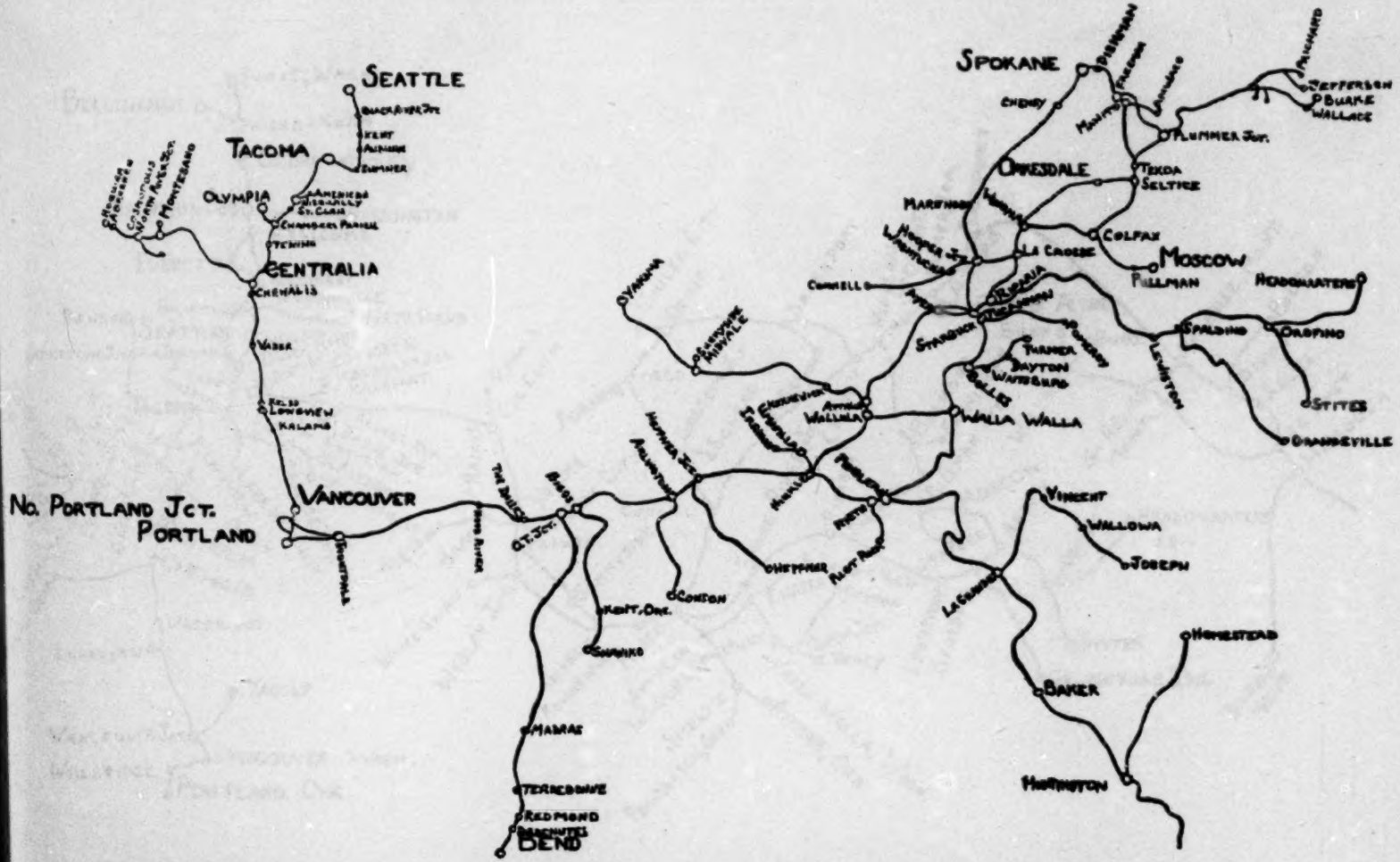
⑭Applies only in connection with shipments originating Los Angeles Group 17A on ATSF stopped in transit at Pasco, Wash., or Kennewick, Wash., on SP&S to partly unload.

⑯Applies only in connection with transit privileges on Iron or Steel Wire at Hoquiam, Wash., on CMSP&P, as specifically authorized in Part D, Item 16350 series of NPCFB Tariff 117-B, ICC 935.

♣Reduction. (CJT-1455)

BEFORE THE INTERSTATE COMMERCE COMMISSION
Exhibit No. 6

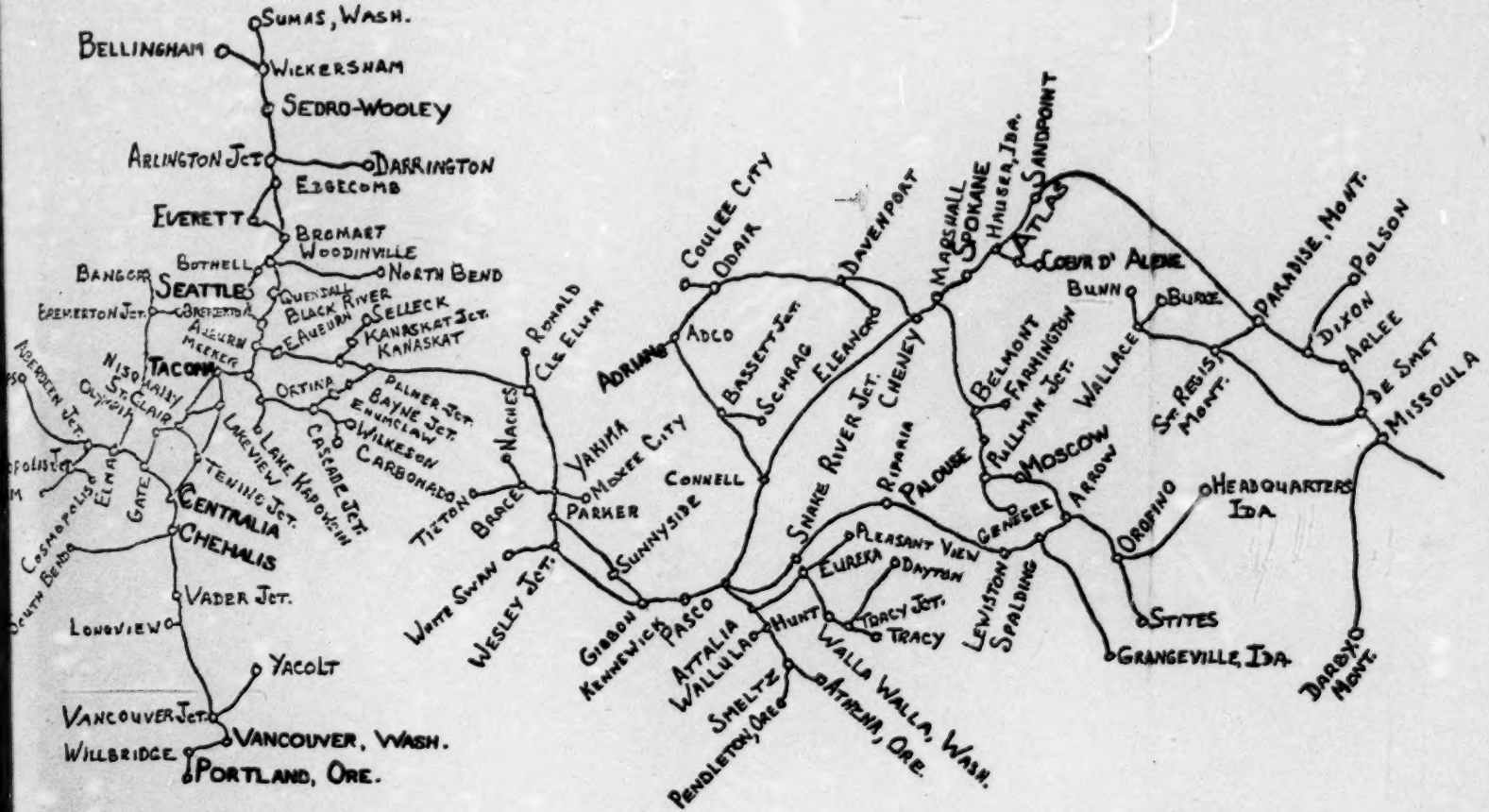
[fol. 508]



Stations designated in red are junction points between Union Pacific and Great Northern Railway in Oregon, Washington and Idaho, affording interchange of carload freight without transfer of lading.

BEFORE THE INTERSTATE COMMERCE COMMISSION
Exhibit No. 7

[fol. 509]



Stations designated in red are junction points between Northern Pacific Railway and Great Northern Railway in Oregon, Washington and Idaho, affording interchange of carload freight without transfer of lading.

BEFORE THE INTERSTATE COMMERCE COMMISSION

EXHIBIT No. 8

[fol. 5110]

Copy of Page 38 of Southern Pacific Company Freight Tariff 230-K, ICC 4960, containing absorption of Western Pacific's switching charge at Sacramento on Canned Goods moving from Sacramento via SP to points on NP or UP in Oregon, Washington or Idaho.

Not subject to increases provided in Tariff X-175 referred to in Sup. 15 to this tariff.
[R]Not subject to increases provided by Items X-196 and X-206 of this tariff.
[S]Subject to increases provided by Items X-212 and X-223 of this tariff.

ABSORPTION OF SWITCHING CHARGES

SP., when it receives a line haul from or to the following points, will absorb, subject to Item 300, except as noted, switching charges of the lines as provided below, between points within their individual switching limits, published in tariffs lawfully on file with the ICC. or State Commissions. Charges not absorbed will be in addition to the line haul charges.

At	On Traffic Described Below	Will Absorb Switching Charge of	For Switching Such Freight BETWEEN (Except as noted)	For Switching Such Freight AND (Except as noted)	ITEM
Sacramento, Cal.:	Carload traffic moving from (or to) Sacramento, Cal., to (or from) Gridley, Cal.	SN., WP., not to exceed $6.56 per car.	Interchange track with SP.	Industry tracks, private sidings or wharves.	990
	Canned or Preserved Foodstuffs (not cold-pack nor frozen) and other articles moving to stations on NP. or UP. in Ore., Wash. or Ida., under rates published in Items 4837, 4837.8 or 4838, PSFB. Tariff 1-S, ICC. 1352.	WP., not to exceed $6.56 per car.	FROM Industry tracks.	TO Interchange track with SP.	↓ 995
	+Petroleum or Petroleum Products, in tank cars, moving under Column 1-A rates in PSFB Tariff ★252-E, ICC. 1653.	Connecting rail carrier, but not to exceed $6.56 per car.	FROM Industry tracks, private sidings or wharves.	TO Interchange track with SP.	1000
Salem, Ore.:	Carload traffic to or from Salem, Ore., competitive with OE.	OE.—see Note 1 below.	Interchange track with SP.	Industry tracks or private sidings.	1010
San Francisco, Cal.:	Carload traffic to or from San Francisco, Cal., received from or delivered to vessels, when originating at or destined Portland, Ore., and points south thereof, Ogden, Utah, El Paso, Tex., Albuquerque, NM., and points west thereof.	AT&SF (Santa Fe), not to exceed $6.56 per car—see Note 2.	Interchange track with SP.	Wharves served by AT&SF (Santa Fe).	1020
San Francisco, Cal.:	Carload traffic moving from (or to) San Francisco, Cal., to (or from) Gridley, Cal.	AT&SF. (Santa Fe), WP., not to exceed $6.56 per car.	Interchange track with SP.	Industry tracks, private sidings or wharves.	1030

★Change. +Applies only on California intrastate traffic. [R]Change; no increase or reduction. ↓Reduction.

Note 1.—Except as otherwise provided, this company will in no case absorb switching charge (or any portion thereof) of connecting carrier when such absorption results in less net minimum transportation charge (i. e., the charge arrived at by applying the rate or rates applicable to the shipment or shipments in the car from the respective point or points of origin to the respective point or points of destination, and exclusive of switching and other terminal charges) than $35.03 per car.

In event that transportation charges do not permit of the absorption of the entire switching charge as provided above, this company will then absorb only so much of connecting line's switching charge as will leave minimum transportation charge of $35.03 per car.

Note 2.—Whenever it is found necessary to dray freight between depots of SP. and wharves, as described above, charges made therefor will be absorbed by SP.

EXHIBIT NO. 9

Representative Commodities on which present combination rates applicable via Bieber and Portland
Spokane Northern Pacific Railway or Union Pacific Railroad Company are compared with joint through
rates in effect via defendant's routes with the Southern Pacific Company via Portland.
(Rates are in Cents per 100 pounds and include Ex Parte 223 increase)

FOOTNOTES/ITEMS	2	3	4	5	6	7	8	9	10	11	12	13	14	15
					PRESENT					PROPOSED				
Item	COMMODITY	FROM	TO	VIA	MILES	RATE	Min.Wt. (Lbs.)	Per Car ($)	PCPM (¢)	TPM (Mills)	RATE	Min.Wt. (Lbs.)	Per Car ($)	PCPM (¢)	TPM (Mill
1	Dried	Johnson,	Oakland, Cal.	NP-GN-WP	1161	(74	100,000	740.00	63.7	12.7	60½	100,000	605.00	52.1	10.4
2	Peas,	Wash.				a(87	80,000	696.00	59.9	15.0	74	80,000	592.00	51.0	12.7
3	Beans,					(97	40,000	388.00	33.4	16.7	84	40,000	336.00	28.9	14.5
4	and			NP-GN-WP	1491	(c 95½	100,000	955.00	64.1	12.8					
5	Lentils					(c109	80,000	872.00	58.5	14.6					
6						(d125	40,000	500.00	33.5	16.8					
7						b(									
8						(113	100,000	1130.00	75.8	15.2	60½	100,000	605.00	40.6	8.1
9						(126	80,000	1008.00	67.6	16.9	74	80,000	592.00	39.7	9.9
10						(136	40,000	544.00	36.5	18.2	84	40,000	336.00	22.5	11.3
11				NP-SP	1324	60½	100,000	605.00	45.7	9.1					
12						e(74	80,000	592.00	44.7	11.2					
13						(84	40,000	336.00	25.4	12.7					
14		Johnson,	Sutter, Cal.	NP-GN-WP-SN	997	f 74	100,000	740.00	74.2	14.8	60½	100,000	605.00	60.7	12.1
15		Wash.		NP-GN-WP-SN	1328	(c 95½	100,000	955.00	71.9	14.4					
16						(c109	80,000	872.00	65.7	16.4					
17						(d115	40,000	460.00	34.6	17.3					
18						g(									
19						(113	100,000	1130.00	85.1	17.0	60½	100,000	605.00	45.6	9.1
20						(-	80,000	-	-	-					
21						(126	40,000	504.00	38.0	19.0					
22				NP-SP-SN	1219	(76	100,000	760.00	62.3	12.5					
23						h(89	80,000	712.00	58.4	14.6					
24						(99	40,000	396.00	32.5	16.2					
25		Moscow,	Oakland, Cal.	GN-WP	1142	(60½	100,000	605.00	53.0	10.6					
26		Idaho				e(74	80,000	592.00	51.8	13.0					
27						(84	40,000	336.00	29.4	14.7					
28		Moscow,	Sutter, Cal.	GN-WP-SN	979	e 60½	100,000	605.00	61.8	12.4					
29		Idaho													

OR160 Pbks

Explanation of Reference Marks

a - Combination of Rates Over Moscow, Ida., (lower than Combination over Portland, Ore. or Seattle, Wash.), Constructed From Following Factors:

Johnson, Wash. To Moscow, Ida.: 13½¢ - 36,000 lbs.) Item 14850, Tariff 2-P, ICC 1001, North Pacific Coast Freight Bureau, Agent.

Moscow, Ida. To Oakland, Cal.: 60½¢ - 100,000 lbs.) Item 10295, Tariff 1-S, ICC 1352, Pacific Southcoast Freight Bureau, Agent.
74 ¢ - 80,000 lbs.)
84 ¢ - 40,000 lbs.)

b - Combination of Rates Over Portland, Ore., Constructed From Following Factors:

Johnson, Wash. To Portland, Ore.: c 35 ¢ - 80,000 lbs.) Item 8160-A, Tariff 2-P, ICC 1001, North Pacific Coast
d 41 ¢ - 40,000 lbs.) Freight Bureau, Agent. Rates published as not subject to Tariff of Increased Rates and Charges X-22).

52½¢ - 40,000 lbs.) Item 8150-A, Tariff 2-P, ICC 1001, North Pacific Coast Freight Bureau, Agent.

Portland, Ore. To Oakland, Cal.: 60½¢ - 100,000 lbs.) Rates from Seattle, Wash. as maximum. Item 10295, Tariff
74 ¢ - 80,000 lbs.) 1-S, ICC 1352, Pacific Southcoast Freight Bureau, Agent.
84 ¢ - 40,000 lbs.)

c - Not Subject To Transit Privileges.

d - Not Subject To Transit Privileges at Stations West of the Cascade Mountains, and Only One Transit Privilege at Stations East of the Cascade Mountains.

e - Item 10295, Tariff 1-S, ICC 1352, Pacific Southcoast Freight Bureau, Agent.

f - Combination of Rates Over Moscow, Ida., Constructed From Following Factors:

Johnson, Wash. To Moscow, Ida.: As in (a) above.

Moscow, Ida. To Sutter, Cal.: 60½¢ - 100,000 lbs.) Item 10295, Tariff 1-S, ICC 1352, Pacific Southcoast Freight Bureau, Agent.

g - Combination of Rates Over Portland, Ore., Constructed From Following Factors:

Johnson, Wash. To Portland, Ore.: As in (b) above.

(Continued)

DRIED PEAS (Continued)

Explanation of Reference Marks

g - (Continued): Combination of Rates Over Portland, Ore., Constructed From Following Factors:

Portland, Ore. To Sutter, Cal.:	60½¢ - 100,000 lbs. 74 ¢ - 40,000 lbs.	Rates from Seattle, Wash. as maximum. Apply via Routes in connection with WP via Bieber, Cal. Item 10295, Tariff 1-S, ICC 1352, Pacific Southcoast Freight Bureau, Agent.

h - Combination of Rates Over Marysville, Cal., Constructed From Following Factors:

Johnson, Wash. To Marysville, Cal.:	60½¢ - 100,000 lbs. 74 ¢ - 80,000 lbs. 84 ¢ - 40,000 lbs.	Item 10295, Tariff 1-S, ICC 1352, Pacific Southcoast Freight Bureau, Agent.
Marysville, Cal. To Sutter, Cal.:	15½¢ - 36,000 lbs.	Class 5 rate per Item 41650, Western Classification 77, ICC 35, Western Classification Committee, Agent; and Item 1268-A, Tariff 255-G, ICC 1637, Pacific Southcoast Freight Bureau, Agent.

Representative Commodities on which present combination rates applicable via Bieber and Portland thence Northern Pacific Railway or Union Pacific Railroad Company are compared with joint through rates in effect via defendant's routes with the Southern Pacific Company via Portland.
(Rates are in Cents per 100 pounds and include Ex Parte 223 increase)

COLUMNS/L:	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
						PRESENT					PROPOSED				
I:	COMMOD-	FROM	TO	VIA	MILES	RATE	Min.Wt.	Per Car	PCPM	PTPM	RATE	Min.Wt.	Per Car	PCPM	PTPM
N:	ITY						(Lbs.)	($)	(¢)	(Mills)		(Lbs.)	($)	(¢)	(Mills)
E:															
1:	Beer	Olympia,	San Francisco,	NP-GN-WP	1013	(92‡	80,000	740.00	73.1	18.3	(73	80,000	584.00	57.7	14.4
2:		Wash.	Cal.			((#86					(# 65‡				
3:						a(115‡	60,000	693.00	68.4	22.8	95	60,000	570.00	56.3	12.9
4:						(128‡	40,000	514.00	50.7	25.4	106	40,000	424.00	41.9	20.9
5:				NP-SP	844	(73	80,000	584.00	69.2	17.3					
6:						((#65‡									
7:						b(95	60,000	570.00	67.5	22.5					
8:						(106	40,000	424.00	50.2	25.1					
9:			Turlock, Cal.	NP-GN-WP-TS	967	((100	80,000	800.00	82.7	20.7	(78	80,000	624.00	64.5	16.1
10:						((#90					(# 70				
11:						c(121	60,000	726.00	75.1	25.0	102	60,000	612.00	63.3	21.1
12:						(159	40,000	636.00	65.8	32.9	137	40,000	548.00	56.7	28.3
13:				NP-SP	862	(78	80,000	624.00	72.4	18.1					
14:						((#70									
15:						d(102	60,000	612.00	71.0	23.7					
16:						(137	40,000	548.00	63.6	31.8					
17:			Fresno, Cal.	NP-GN-WP-	1042	((109‡	80,000	876.00	84.1	21.0	(87	80,000	696.00	66.8	16.7
18:				AT&SF		((#98‡					(#78				
19:						e(130‡	60,000	783.00	75.1	25.0	111	60,000	666.00	63.9	21.3
20:						(159‡	40,000	638.00	61.2	30.6	137	40,000	548.00	52.6	26.3
21:				NP-SP	941	(87	80,000	696.00	74.0	18.5					
22:						((#78									
23:						b(111	60,000	666.00	70.8	23.6					
24:						(137	40,000	548.00	58.2	29.1					
25:			Los Angeles,	NP-GN-WP-	1435	((117‡	80,000	940.00	65.5	16.4	(98	80,000	784.00	54.6	13.7
26:			Cal.	AT&SF		((#108‡					(# 88				
27:						f(144‡	60,000	867.00	60.4	20.1	122	60,000	732.00	51.0	17.0
28:						(159‡	40,000	638.00	44.5	22.2	137	40,000	548.00	38.2	19.1
29:				NP-SP	1217	(98	80,000	784.00	64.4	16.1					
30:						((#88									
31:						g(122	60,000	732.00	60.1	20.0					
32:						(137	40,000	548.00	45.0	25.7					
33:					1335	(98	80,000	784.00	58.7	14.7					
34:						((#88									

...Southern Pacific Railway or Union Pacific Railroad Company are compared with joint through rates in ...Southern Pacific Railway with the Southern Pacific Company via Portland.
...Direct via defendant's routes with the Southern Pacific Company via Portland.

(Rates are in Cents per 100 pounds and include Ex Parte 223 increase)

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
						PRESENT					PROPOSED				
Line No.	COMMODITY	FROM	TO	VIA	MILES	RATE	Min. Wt. (Lbs.)	Per Car ($)	PCPM (¢)	PTPM (Mills)	RATE	Min. Wt. (Lbs.)	Per Car ($)	PCPM (¢)	PTPM (Mills)
1	Beer	Seattle, Wash.	San Francisco, Cal.	UP-ON-WP	1071	g(97	80,000	780.00	72.8	18.2	(73	80,000	584.00	54.5	13.6
2						(#90					(# 65				
3						h(113	60,000	681.00	63.6	21.2	95	60,000	570.00	53.2	17.7
4						(128	40,000	514.00	48.0	24.0	106	40,000	424.00	39.6	19.8
5				UP-SP	902	((73	80,000	584.00	64.7	16.2					
6						b((#65									
7						(95	60,000	570.00	63.2	21.1					
8						(106	40,000	424.00	47.0	23.5					
9			Turlock, Cal.	UP-ON-WP-TS	1025	i(102	80,000	816.00	79.6	19.9	(78	80,000	624.00	60.9	15.2
10						(#94					(# 70				
11						j(119	60,000	714.00	69.7	23.2	102	60,000	612.00	59.7	19.9
12						(159	40,000	636.00	62.0	31.0	137	40,000	548.00	53.5	26.7
13				UP-SP	928	((78	80,000	624.00	67.8	17.0					
14						d((#70									
15						(102	60,000	612.00	66.5	22.2					
16						(137	40,000	548.00	59.6	29.8					
17			Fresno, Cal.	UP-ON-WP-AT&SF	1100	k(111	80,000	892.00	81.1	20.3	(87	80,000	696.00	63.3	15.8
18						(#102					(# 78				
19						m(128	60,000	771.00	70.0	23.4	111	60,000	666.00	60.5	20.2
20						(159	40,000	636.00	58.0	29.0	137	40,000	548.00	49.8	24.9
21				UP-SP	999	((87	80,000	696.00	69.7	17.4					
22						b((#78									
23						(111	60,000	666.00	66.7	22.2					
24						(137	40,000	548.00	54.9	27.4					
25			Los Angeles, Cal.	UP-ON-WP-AT&SF	1493	n(122	80,000	980.00	65.6	16.4	(98	80,000	784.00	52.5	13.1
26						(#112					(# 88				
27						p(142	60,000	855.00	57.3	19.1	122	60,000	732.00	49.0	16.3
28						(159	40,000	638.00	42.7	21.4	137	40,000	548.00	36.7	18.4
29				UP-SP	1275	((98	80,000	784.00	61.5	15.4					
30						b((#88									
31						(122	60,000	732.00	57.4	19.1					
32						(137	40,000	548.00	43.0	21.5					
33															
34															
35															
36															

Representative Commodities on which present combination rates applicable via Bieber and Portland thence Northern Pacific Railway or Union Pacific Railroad Company are compared with joint through rates in effect via defendant's routes with the Southern Pacific Company via Portland.

(Rates are in Cents per 100 pounds and include Ex Parte 222 increase)

COLUMNS/1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
L:					PRESENT					PROPOSED				
I:COMMOD-	FROM	TO	VIA	MILES	RATE	Min.Wt. (Lbs.)	Per Car ($)	PCPM (¢)	PTPM (Mills)	RATE	Min.Wt. (Lbs.)	Per Car ($)	PCPM (¢)	PTPM (Mill
N:ITY														
E:														
1: Beer	Seattle, Wash.	Los Angeles, Cal.	UP-SP-AT&SF	1393	((98	80,000	784.00	56.3	14.1					
2:					b((88									
3:					(122	60,000	732.00	52.5	17.5					
4:					(137	40,000	548.00	39.3	19.7					

Explanation of Reference Marks

- Applies on Weight in Excess of 80,000 lbs.

a - Combination of Rates Over Portland, Ore., Constructed From Following Factors:

Olympia, Wash. To Portland, Ore.:	(22½¢ - 80,000 lbs. (20¢ - Excess Over 80,000 lbs. (33½¢ - 40,000 lbs. (37½¢ - 30,000 lbs.	) Item 4710, Tariff 1-R, ICC 1019, North Pacific Coast Freight Bureau, Agent.
Portland, Ore. To San Francisco, Cal.:	(70 ¢ - 80,000 lbs. (65½¢ - Excess Over 80,000 lbs. (82 ¢ - 60,000 lbs. (95 ¢ - 40,000 lbs.	) Item 4670-K, Tariff 1-S, ICC 1352, Pacific Southcoast Freight Bureau, Agent. Rates published as not subject to Increases provided in Tariff of Increased Rates and Charges X-223.

b - Item 4670-K, Tariff 1-S, ICC 1352, Pacific Southcoast Freight Bureau, Agent.

c - Combination of Rates Over Portland, Ore., Constructed From Following Factors:

Olympia, Wash. To Portland, Ore.:	As in (a) above.	
Portland, Ore. To Turlock, Cal.:	(78¢ - 80,000 lbs. (70¢ - Excess Over 80,000 lbs. (88¢ - 60,000 lbs. (126¢ - 40,000 lbs.	) Item 4672-D, Tariff 1-S, ICC 1352, Pacific Southcoast Freight Bureau, Agent.

d - Item 4672-D, Tariff 1-S, ICC 1352, Pacific Southcoast Freight Bureau, Agent.

e - Combination of Rates Over Portland, Ore., Constructed From Following Factors:

Olympia, Wash. To Portland, Ore.:	As in (a) above.	
Portland, Ore. To Fresno, Cal.:	(87¢ - 80,000 lbs. (78¢ - Excess Over 80,000 lbs. (97¢ - 60,000 lbs. (126¢ - 40,000 lbs.	) Item 4670-K, Tariff 1-S, ICC 1352, Pacific Southcoast Freight Bureau, Agent. Rates published as not subject to Increases provided in Tariff of Increased Rates and Charges X-223.

(Continued)

Explanation of Reference Marks (Continued)

f - Combination of Rates Over Portland, Ore., Constructed From Following Factors:

Olympia, Wash. To Portland, Ore.: As in (a) above.

Portland, Ore. To Los Angeles, Cal.: (95¢ - 80,000 lbs. / 88¢ - Excess Over 80,000 lbs.) / (111¢ - 60,000 lbs. / 126¢ - 40,000 lbs.) Item 4670-K, Tariff 1-S, ICC 1352, Pacific Southcoast Freight Bureau, Agent. Rates published as not subject to Increases provided in Tariff of Increased Rates and Charges X-223.

g - Combination of Rates Over Tacoma, Wash., Constructed From Following Factors:

Seattle, Wash. To Tacoma, Wash.: 24½¢ - 30,000 lbs.) Item 4710, Tariff 1-R, ICC 1019, North Pacific Coast Freight Bureau, Agent.

Tacoma, Wash. To San Francisco, Cal.: (73 ¢ - 80,000 lbs. / 65½¢ - Excess Over 80,000 lbs.) / (95 ¢ - 60,000 lbs. / (106 ¢ - 40,000 lbs.) Item 4670-K, Tariff 1-S, ICC 1352, Pacific Southcoast Freight Bureau, Agent. Rates published as not subject to Increases provided in Tariff of Increased Rates and Charges X-223.

h - Combination of Rates Over Portland, Ore., Constructed From Following Factors:

Seattle, Wash. To Portland, Ore.: (31½¢ - 60,000 lbs. / (33½¢ - 40,000 lbs. / (37½¢ - 30,000 lbs.) Item 4710, Tariff 1-R, ICC 1019, North Pacific Coast Freight Bureau, Agent.

Portland, Ore. To San Francisco, Cal.: As in (a) above.

i - Combination of Rates Over Tacoma, Wash., Constructed From Following Factors:

Seattle, Wash. To Tacoma, Wash.: As in (g) above.

Tacoma, Wash. To Turlock, Cal.: (78¢ - 80,000 lbs. / 70¢ - Excess Over 80,000 lbs.) / (102¢ - 60,000 lbs. / (137¢ - 40,000 lbs.) Item 4672-D, Tariff 1-S, ICC 1352, Pacific Southcoast Freight Bureau, Agent.

j - Combination of Rates Over Portland, Ore., Constructed From Following Factors:

Seattle, Wash. To Portland, Ore.: As in (h) above.

Portland, Ore. To Turlock, Cal.: As in (c) above.

(Continued)

3006 [fol. 519]

Explanation of Reference Marks (Continued)

l - Combination of Rates Over Tacoma, Wash., Constructed From Following Factors:

Seattle, Wash. To Tacoma, Wash.: As in (g) above.

Tacoma, Wash. To Fresno, Cal. : (87¢ - 80,000 lbs.) Item 4670-K, Tariff 1-S, ICC 1352, Pacific South-
(78¢ - Excess Over 80,000 lbs.) coast Freight Bureau, Agent. Rates published as
(111¢ - 60,000 lbs.) not subject to Increases provided in Tariff of
(137¢ - 40,000 lbs.) Increased Rates and Charges X-223.

m - Combination of Rates Over Portland, Ore., Constructed From Following Factors:

Seattle, Wash. To Portland, Ore.: As in (h) above.

Portland, Ore. To Fresno, Cal. : As in (e) above.

n - Combination of Rates Over Tacoma, Wash., Constructed From Following Factors:

Seattle, Wash. To Tacoma, Wash.: As in (g) above.

Tacoma, Wash. To Los Angeles, Cal.: (98¢ - 80,000 lbs.) Item 4670-K, Tariff 1-S, ICC 1352, Pacific Sout
(88¢ - Excess Over 80,000 lbs.) coast Freight Bureau, Agent. Rates published a
(122¢ - 60,000 lbs.) not subject to Increases provided in Tariff of
(137¢ - 40,000 lbs.) Increased Rates and Charges X-223.

p - Combination of Rates Over Portland, Ore., Constructed From Following Factors:

Seattle, Wash. To Portland, Ore.: As in (h) above.

Portland, Ore. To Los Angeles, Cal.: As in (f) above.

Representative Commodities on which present combination rates applicable via Bieber and Portland thence Northern Pacific Railway or Union Pacific Railroad Company are compared with joint through rates in effect via defendant's routes with the Southern Pacific Company via Portland.

(Rates are in Cents per 100 pounds and include Ex Parte 223 increase)

COLUMNS/I:	2	3	4	5	6	7	8	9	10	11	12	13	14	15
L: I:COMMOD- N:ITY E:	FROM	TO	VIA	MILES	RATE	Min.Wt. (Lbs.)	Per Car ($)	PCPM (¢)	PTPM (Mills)	RATE	Min.Wt. (Lbs.)	Per Car ($)	PCPM (¢)	PTPM (Mills
1:Brewers	West	Olympia,	SN-WP-	874	(122	100,000	1220.00	139.6	27.9	68	100,000	680.00	77.8	15.6
2:Rice	Sacra-	Wash.	GN-NP		a(127	60,000	762.00	87.2	29.1	73	60,000	438.00	50.1	16.7
3:	mento,				(132	40,000	528.00	60.4	30.2	78	40,000	312.00	35.7	17.8
4:	Cal.		RL-SP-NP	777	(68	100,000	680.00	87.5	17.5					
5:					b(73	60,000	438.00	56.4	18.8					
6:					(78	40,000	312.00	40.2	20.1					
7:			SN-SP-NP	777	o(69	100,000	690.00	88.8	17.8					
8:					(74	60,000	444.00	57.2	19.0					
9:			SN-WP-GN-	867	(122	100,000	1220.00	140.7	28.1	68	100,000	680.00	78.4	15.7
10:			UP		a(127	60,000	762.00	87.9	29.3	73	60,000	438.00	50.5	16.8
11:					(132	40,000	528.00	60.9	30.4	78	40,000	312.00	36.0	18.0
12:			RL-SP-UP	770	(68	100,000	680.00	88.3	17.7					
13:					b(73	60,000	438.00	56.9	19.0					
14:					(78	40,000	312.00	40.5	20.3					
15:			SN-SP-UP	770	o(69	100,000	690.00	89.6	17.9					
16:					(74	60,000	444.00	57.7	19.2					
17:	West	Seattle,	SN-WP-GN	913	(68	100,000	680.00	74.5	14.9					
18:	Sacra-	Wash.			b(73	60,000	438.00	48.0	16.0					
19:	mento,				(78	40,000	312.00	34.2	17.1					
20:	Cal.		RL-SP-NP	834	(68	100,000	680.00	81.5	16.3					
21:					b(73	60,000	438.00	52.5	17.5					
22:					(78	40,000	312.00	37.4	18.7					
23:			SN-SP-NP	834	d(69	100,000	690.00	82.7	16.5					
24:					(74	60,000	444.00	53.2	17.7					
25:			RL-SP-UP	835	(68	100,000	680.00	81.4	16.3					
26:					b(73	60,000	438.00	52.5	17.5					
27:					(74	40,000	312.00	37.4	18.7					
28:			SN-SP-UP	835	a(69	100,000	690.00	82.6	16.5					

Explanation of Reference Marks

a - Combination of Rates Over Portland, Ore., Constructed From Following Factors:

West Sacramento, Cal. To Portland, Ore.: 68¢ - 100,000 lbs.) Item 9390-Z, Tariff 1-S, ICC 1352, Pacific Southcoast
73¢ - 60,000 lbs.) Freight Bureau, Agent.
78¢ - 40,000 lbs.)

Portland, Ore. To Olympia, Wash.: 54½¢ - 40,000 lbs.) Item 6200, Tariff 1-H, ICC 1019, North Pacific Coast
) Freight Bureau, Agent.

b - Item 9390-Z, Tariff 1-S, ICC 1352, Pacific Southcoast Freight Bureau, Agent.

c - Combination of Rates Over Sacramento, Cal., Constructed From Following Factors:

West Sacramento, Cal. To Sacramento, Cal.: 1½¢ - 60,000 lbs.) Proportional Rate, Item 5710, Tariff 244-D, ICC 1535,
) Pacific Southcoast Freight Bureau, Agent.

Sacramento, Cal. To Olympia, Wash.: 68¢ - 100,000 lbs.) Item 9390-Z, Tariff 1-S, ICC 1352, Pacific Southcoast
73¢ - 60,000 lbs.) Freight Bureau, Agent.
78¢ - 40,000 lbs.)

d - Combination of Rates Over Sacramento, Cal., Constructed From Following Factors:

West Sacramento, Cal. To Sacramento, Cal.: As in (c) above.

Sacramento, Cal. To Seattle, Wash.: 68¢ - 100,000 lbs.) Item 9390-Z, Tariff 1-S, ICC 1352, Pacific Southcoast
73¢ - 60,000 lbs.) Freight Bureau, Agent.
78¢ - 40,000 lbs.)

Representative Commodities on which present combination rates applicable via Bieber and Portland thence Northern Pacific Railway or Union Pacific Railroad Company are compared with joint through rates in effect via defendant's routes with the Southern Pacific Company via Portland.
(Rates are in Cents per 100 pounds and include Ex Parte 223 increase)

COLUMNS/1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
L:					PRESENT					PROPOSED				
I:COMMOD-	FROM	TO	VIA	MILES	RATE	Min.Wt. (Lbs.)	Per Car ($)	PCPM (¢)	PTPM (Mills)	RATE	Min.Wt. (Lbs.)	Per Car ($)	PCPM (¢)	PTPM (Mills)
N:ITY														
E:														
1:Canned	Sacra-	Bellevue,	WP-GN-NP	934	a(87	60,000	522.00	55.9	18.6	73	60,000	438.00	46.9	15.6
2:Goods	mento,	Washington			(102	40,000	408.00	43.7	21.8	88	40,000	352.00	37.7	18.8
3: (Not	Cal.		SP-NP	836	b(73	60,000	438.00	52.4	17.5					
4: Cold					(88	40,000	352.00	42.1	21.1					
5: Pack	Sacra-	Yakima,	WP-GN-NP	1048	a(87	60,000	522.00	49.8	16.6	73	60,000	438.00	41.8	13.9
6: Nor	mento,	Wash.			(102	40,000	408.00	38.9	19.5	88	40,000	352.00	33.6	16.8
7:Frozen)	Cal.		SP-NP	951	b(73	60,000	438.00	46.1	15.4					
8:					(88	40,000	352.00	37.0	18.5					
9:			WP-GN-UP	1063	a(87	60,000	522.00	49.1	16.4	73	60,000	438.00	41.2	13.7
10:					(102	40,000	408.00	38.4	19.2	88	40,000	352.00	33.1	16.6
11:			SP-UP	966	b(73	60,000	438.00	45.3	15.1					
12:					(88	40,000	352.00	36.4	18.2					
13:	Sacra-	Walla Walla,	WP-GN-NP	1200	d(87	60,000	522.00	43.5	14.5	73	60,000	438.00	36.5	12.2
14:	mento,	Wash.			(102	40,000	408.00	34.0	17.0	88	40,000	352.00	29.3	14.7
15:	Cal.		SP-NP	1103	b(73	60,000	438.00	39.7	13.2					
16:					(88	40,000	352.00	31.9	16.0					
17:			WP-GN-UP	993	d(87	60,000	522.00	52.6	17.5	73	60,000	438.00	44.1	14.7
18:					(102	40,000	408.00	41.1	20.5	88	40,000	352.00	35.4	17.7
19:			SP-UP	896	b(73	60,000	438.00	48.9	16.3					
20:					(88	40,000	352.00	39.3	19.6					
21:	Sacra-	Spokane,	WP-GN	914	b(78	60,000	468.00	51.2	17.1					
22:	mento,	Wash.			(93	40,000	372.00	40.7	20.4					
23:	Cal.		WP-GN-NP	1282	e(104	60,000	624.00	48.7	16.2	78	60,000	468.00	36.5	12.2
24:					(119	40,000	476.00	37.1	18.6	93	40,000	372.00	29.0	14.5
25:			SP-NP	1184	b(78	60,000	468.00	39.5	13.2					
26:					(93	40,000	372.00	31.4	15.7					
27:			WP-GN-UP	1119	e(104	60,000	624.00	55.8	18.6	78	60,000	468.00	41.8	13.9
28:					(119	40,000	476.00	42.5	21.3	93	40,000	372.00	33.2	16.6
29:			SP-UP	1022	b(78	60,000	468.00	45.8	15.3					
30:					(82	40,000	328.00	32.1	16.0					
31:	Sacra-	The Dalles,	WP-GN-UP	833	r(82	60,000	492.00	59.0	19.6	384	60,000	331.00	42.1	14.0
32:	mento,	Ore.			(82	40,000	328.00	42.1	21.0	74	40,000	296.00	35.5	17.8

Northern Pacific Railway or Union Pacific Railroad Company are concurred with joint through
rates in effect via defendant's routes with the Southern Pacific Company via Portland.

(Rates are in Cents per 100 pounds and include Ex Parte 223 increase)

COLUMNS/1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
					PRESENT					PROPOSED				
COMMODITY	FROM	TO	VIA	MILES	RATE	Min.Wt. (Lbs.)	Per Car ($)	PCPM (¢)	PTPM (Mills)	RATE	Min.Wt. (Lbs.)	Per Car ($)	PCPM (¢)	PTPM (Mills)
1 Canned	Sacra-	Portland,	WP-GN	749	b(58½	60,000	351.00	46.9	15.6					
2 Goods	mento,	Ore.			(74	40,000	296.00	39.5	19.8					
3 (Not	Cal.		SP	652	b(58½	60,000	351.00	53.8	17.9					
4 Cold					(74	40,000	296.00	45.4	22.7					
5 Pack	Thorn-	Bellevue,	WP-GN-NP	958	h(87	60,000	522.00	54.5	18.2	73	60,000	438.00	45.7	15.2
6 Nor	ton,	Wash.			(102	40,000	408.00	42.6	21.3	88	40,000	352.00	36.7	18.4
7 Frozen)	Cal.		WP-SP-NP	899	i(86	60,000	516.00	57.4	19.1					
8					(101	40,000	404.00	44.9	22.5					
9	Thorn-	Yakima,	WP-GN-NP	1073	j(87	60,000	522.00	48.6	16.2	73	60,000	438.00	40.8	13.6
10	ton,	Wash.			(102	40,000	408.00	38.0	19.0	88	40,000	352.00	32.8	16.4
11	Cal.		WP-SP-NP	1014	k(86	60,000	516.00	50.9	17.0					
12					(101	40,000	404.00	39.8	19.9					
13			WP-GN-UP	1088	j(87	60,000	522.00	48.0	16.0	73	60,000	438.00	40.3	13.4
14					(102	40,000	408.00	37.5	18.7	88	40,000	352.00	32.4	16.2
15			WP-SP-UP	1028	k(86	60,000	516.00	50.2	16.7					
16					(101	40,000	404.00	39.3	19.6					
17	Thorn-	Walla Walla,	WP-GN-NP	1225	m(87	60,000	522.00	42.6	14.2	73	60,000	438.00	35.8	11.9
18	ton,	Wash.			(102	40,000	408.00	33.3	16.7	88	40,000	352.00	28.7	14.4
19			WP-SP-NP	1165	n(86	60,000	516.00	44.3	14.8					
20					(101	40,000	404.00	34.7	17.3					
21			WP-GN-UP	1018	m(87	60,000	522.00	51.3	17.1	73	60,000	438.00	43.0	14.3
22					(102	40,000	408.00	40.1	20.0	88	40,000	352.00	34.6	17.3
23			WP-SP-UP	958	n(86	60,000	516.00	53.9	18.0					
24					(101	40,000	404.00	42.2	21.1					
25	Thorn-	Spokane,	WP-GN	939	b(78	60,000	468.00	49.8	16.6					
26	ton,	Wash.			(93	40,000	372.00	39.6	19.8					
27	Cal.		WP-GN-NP	1306	p(104	60,000	624.00	47.8	15.9	78	60,000	468.00	35.8	11.9
28					(119	40,000	476.00	36.4	18.2	93	40,000	372.00	28.5	14.2
29			WP-SP-NP	1247	q(91	60,000	546.00	43.8	14.6					
30					(106	40,000	424.00	34.0	17.0					
31			WP-GN-UP	1144	p(104	60,000	624.00	54.5	18.2	78	60,000	468.00	40.9	13.6
32					(119	40,000	476.00	41.6	20.8	93	40,000	372.00	32.5	16.3
33			WP-SP-UP	1084	q(91	60,000	546.00	50.4	16.8					
34					(106	40,000	424.00	39.1	19.6					
35	Thorn-	The Dalles,	WP-GN-UP	858	r(84	60,000	504.00	58.7	19.6	58½	60,000	351.00	40.9	13.6
36					(99	40,000	396.00	46.2	23.1	74	40,000	296.00	34.5	17.2

Representative Commodities on which present combination rates applicable via Bieber and Portland thence Northern Pacific Railway or Union Pacific Railroad Company are compared with joint through rates in effect via defendant's routes with the Southern Pacific Company via Portland.
(Rates are in Cents per 100 pounds and include Ex Parte 223 increase)

COLUMNS/1:	2	3	4	5	6	7	8	9	10	11	12	13	14	15
1:					PRESENT					PROPOSED				
I:COMMOD-	FROM	TO	VIA	MILES	RATE	Min.Wt. (Lbs.)	Per Car ($)	PCPM (¢)	PTPM (Mills)	RATE	Min.Wt. (Lbs.)	Per Car ($)	PCPM (¢)	PTPM (Mills)
N:ITY														
E:														
1:Canned	Thorn-	The Dalles,	WP-SP-UP	798	a(72	60,000	432.00	54.1	18.0					
2:Goods	ton,	Ore.			(87	40,000	348.00	43.6	21.8					
3:(Not	Cal.													
4: Cold	Thorn-	Portland,	WP-ON	774	b(58	60,000	351.00	45.3	15.1					
5: Pack	ton,	Ore.			(74	40,000	296.00	38.2	19.1					
6: Nor	Cal.													
7:Frozen)	McHenry,	Bellevue,	TS-WP-ON-	1065	t(90	60,000	540.00	53.7	17.9	76	60,000	456.00	45.4	15.1
8:	Cal.	Wash.	NP		(105	40,000	420.00	41.8	20.9	91	40,000	364.00	36.2	18.1
9:			TS-SP-NP	905	u(86	60,000	516.00	57.0	19.0					
10:					(101	40,000	404.00	44.6	22.3					
11:	Modesto:	Bellevue,	SP-NP	908	v(76	60,000	456.00	50.2	16.7					
12:	Cal.	Wash.			(91	40,000	364.00	40.1	20.0					
13:	McHenry:	Yakima, Wash.	TS-WP-ON-	1119	w(90	60,000	540.00	48.3	16.1	76	60,000	456.00	40.8	13.6
14:	Cal.		NP		(105	40,000	420.00	37.5	18.8	91	40,000	364.00	32.5	16.3
15:			TS-SP-NP	1019	x(86	60,000	516.00	50.6	16.9					
16:					(101	40,000	404.00	39.6	19.8					
17:			TS-WP-ON-	1134	w(90	60,000	540.00	47.6	15.9	76	60,000	456.00	40.2	13.4
18:			UP		(105	40,000	420.00	37.0	18.5	91	40,000	364.00	32.1	16.0
19:			TS-SP-UP	1034	x(86	60,000	516.00	49.9	16.6					
20:					(101	40,000	404.00	39.1	19.5					
21:	Modesto:	Yakima, Wash.	SP-NP	1023	v(76	60,000	456.00	44.6	14.9					
22:	Cal.				(91	40,000	364.00	35.6	17.8					
23:			SP-UP	1038	v(76	60,000	456.00	43.9	14.6					
24:					(91	40,000	364.00	35.1	17.5					
25:	McHenry:	Walla Walla,	TS-WP-ON-	1271	y(90	60,000	540.00	42.5	14.2	76	60,000	456.00	35.9	12.0
26:	Cal.	Wash.	NP		(105	40,000	420.00	33.0	16.5	91	40,000	364.00	28.6	14.3
27:			TS-SP-NP	1171	z(86	60,000	516.00	44.1	14.7					
28:					(101	40,000	404.00	34.5	17.3					
29:			TS-WP-ON-	1064	y(90	60,000	540.00	50.8	16.9	76	60,000	456.00	42.9	14.3
30:			UP		(105	40,000	420.00	39.5	19.7	91	40,000	364.00	34.2	17.1
31:			TS-SP-UP	964	z(86	60,000	516.00	53.5	17.8					
32:					(101	40,000	404.00	41.9	21.0					
33:	Modesto:	Walla Walla,	SP-NP	1175	v(76	60,000	456.00	38.8	12.9					
34:	Cal.	Wash.			(91	40,000	364.00	31.0	15.5					
35:			SP-UP	1188	v(76	60,000	456.00	38.4	12.8					
36:					(91	40,000	364.00	30.6	15.3					

...Southern Pacific Railway or Union Pacific Railroad Company are compared with joint through ...s in effect via defendant's routes with the Southern Pacific Company via Portland.
(Rates are in Cents per 100 pounds and include Ex Parte 223 increase)

COMMODITY	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
						PRESENT					PROPOSED				
	FROM	TO	VIA	MILES	RATE	Min.Wt. (Lbs.)	Per Car: ($)	PCPM: (¢)	PTPM (Mills)	RATE	Min.Wt. (Lbs.)	Per Car: ($)	PCPM: (¢)	PTPM (Mills)
1: Canned	McHenry	Spokane,	TS-WP-ON	985	aa	81	60,000	486.00	49.3	16.4					
						96	40,000	384.00	39.0	19.5					
2: Goods	Cal.	Wash.													
3: (Not			TS-WP-ON-	1353	bb	107	60,000	642.00	47.5	15.8	81	60,000	486.00	35.9	12.0
4: Cold			NP			122	40,000	488.00	36.1	18.0	96	40,000	384.00	28.4	14.2
5: Pack			TS-SP-NP	1253	cc	91	60,000	546.00	43.6	14.5					
6: Nor						106	40,000	424.00	33.8	16.9					
7: Frozen)			TS-WP-ON	1190	bb	107	60,000	642.00	53.9	18.0	81	60,000	486.00	40.8	13.6
			UP			122	40,000	488.00	41.0	20.5	96	40,000	384.00	32.3	16.1
8:			TS-SP-UP	1090	cc	91	60,000	546.00	50.1	16.7					
9:						106	40,000	424.00	38.9	19.4					
10:															
11:	Modesto:	Spokane,	TS-WP-ON	991	v	81	60,000	486.00	49.0	16.3					
12:	Cal.	Wash.				96	40,000	384.00	38.7	19.4					
13:			SP-NP	1256	v	81	60,000	486.00	38.7	12.9					
14:						96	40,000	384.00	30.6	15.3					
15:			SP-UP	1094	v	81	60,000	486.00	44.4	14.8					
16:						96	40,000	384.00	35.1	17.6					
17:	McHenry:	The Dalles,	TS-WP-ON-	904	dd	87	60,000	522.00	57.7	19.2	61	60,000	369.00	40.8	13.6
18:	Cal.	Ore.	UP			102	40,000	408.00	45.1	22.6	77	40,000	308.00	34.1	17.0
19:			TS-SP-UP	804	ee	72	60,000	432.00	53.7	17.9					
20:						87	40,000	348.00	43.3	21.6					
21:	Modesto:	The Dalles,	SP-UP	808	ff	61	60,000	369.00	45.7	15.2					
22:	Cal.	Ore.				77	40,000	308.00	38.1	19.1					
23:	McHenry:	Portland,	TS-WP-ON	820	aa	61	60,000	369.00	45.0	15.0					
24:	Cal.	Ore.				77	40,000	308.00	37.6	18.8					
25:			TS-SP	720	ee	72	60,000	432.00	60.0	20.0					
26:						87	40,000	348.00	48.3	24.2					
27:	Modesto:	Portland,	TS-WP-ON	826	v	61	60,000	369.00	44.7	14.9					
28:	Cal.	Ore.				77	40,000	308.00	37.3	18.6					
29:			SP	724	v	61	60,000	369.00	51.0	17.0					
30:						77	40,000	308.00	42.5	21.3					
31:	San	Bellevue,	WP-ON-NP	1072	hh	87	60,000	522.00	48.7	16.2	73	60,000	438.00	40.9	13.6
32:	Francisco,	Wash.				102	40,000	408.00	38.1	19.0	88	40,000	352.00	32.8	16.4
33:	Cal.		SP-NP	904	b	73	60,000	438.00	48.5	16.2					
34:						88	40,000	352.00	38.9	19.5					

CANNED GOODS

Explanation of Reference Marks (Page 1)

a - Combination of Rates Over Portland, Ore., Constructed From Following Factors:

Sacramento, Cal. to Portland, Ore.: 58½¢ - 60,000 lbs.) Item 4837-0, Tariff 1-S, ICC 1352, Pacific Southcoast
74 ¢ - 40,000 lbs.) Freight Bureau, Agent.

Portland, Ore. to Bellevue, Wash.: 28½¢ - 40,000 lbs.) Item 1885, Tariff 1-R, ICC 1019, North Pacific Coast Freight
) Bureau, Agent. (Bellevue takes Seattle basis of rates, per
) Item 430).

b - Item 4837-0, Tariff 1-S, ICC 1352, Pacific Southcoast Freight Bureau, Agent.

c - Combination of Rates Over Portland, Ore., Constructed From Following Factors:

Sacramento, Cal. to Portland, Ore.: As in (a) above.

Portland, Ore. to Yakima, Wash.: 28½¢ - 40,000 lbs.) Item 5110, Tariff 2-P, ICC 1001, North Pacific Coast Freight
) Bureau, Agent.

d - Combination of Rates Over Portland, Ore., Constructed From Following Factors:

Sacramento, Cal. to Portland, Ore.: As in (a) above.

Portland, Ore. to Walla Walla, Wash.: 28½¢ - 40,000 lbs.) Item 5110, Tariff 2-P, ICC 1001, North Pacific Coast Freight
) Bureau, Agent.

e - Combination of Rates Over Portland, Ore., Constructed From Following Factors:

Sacramento, Cal. to Portland, Ore.: As in (a) above.

Portland, Ore. to Spokane, Wash.: 45½¢ - 40,000 lbs.) Item 5110, Tariff 2-P, ICC 1001, North Pacific Coast Freight
) Bureau, Agent.

f - Combination of Rates Over Portland, Ore., Constructed From Following Factors:

Sacramento, Cal. to Portland, Ore.: As in (a) above.

Portland, Ore. to The Dalles, Ore.: 25½¢ - 40,000 lbs.) Item 5110, Tariff 2-P, ICC 1001, North Pacific Coast Freight

- Item 4838-P, Tariff 1-S, ICC 1352, Pacific Southcoast Freight Bureau, Agent.

- Combination of Rates Over Portland, Ore., Constructed From Following Factors:

  Thornton, Cal. to Portland, Ore.: 58½¢ - 60,000 lbs.) Item 4837-0, Tariff 1-S, ICC 1352, Pacific Southcoast Freight
  74 ¢ - 40,000 lbs.) Bureau, Agent.

  Portland, Ore. to Bellevue, Wash.: As in (a) above.

i - Combination of Rates Over Stockton, Cal., Constructed From Following Factors:

  Thornton, Cal. to Stockton, Cal.: 13½¢ - 36,000 lbs.) Item 3505, Tariff 300, ICC 1439, Pacific Southcoast Freight Bureau, Agent.

  Stockton, Cal. to Bellevue, Wash.: 73 ¢ - 60,000 lbs.) Item 4837-0, Tariff 1-S, ICC 1352, Pacific Southcoast Freight
  88 ¢ - 40,000 lbs.) Bureau, Agent.

j - Combination of Rates Over Portland, Ore., Constructed From Following Factors:

  Thornton, Cal. to Portland, Ore.: As in (h) above.

  Portland, Ore. to Yakima, Wash.: As in (c) above.

k - Combination of Rates Over Stockton, Cal., Constructed From Following Factors:

  Thornton, Cal. to Stockton, Cal.: As in (i) above.

  Stockton, Cal. to Yakima, Wash.: 73¢ - 60,000 lbs.) Item 4837-0, Tariff 1-S, ICC 1352, Pacific Southcoast Freight
  88¢ - 40,000 lbs.) Bureau, Agent.

m - Combination of Rates Over Portland, Ore., Constructed From Following Factors:

  Thornton, Cal. to Portland, Ore.: As in (h) above.

  Portland, Ore. to Walla Walla, Wash.: As in (d) above.

n - Combination of Rates Over Stockton, Cal., Constructed From Following Factors:

  Thornton, Cal. to Stockton, Cal.: As in (i) above.

  Stockton, Cal. to Walla Walla, Wash.: 73¢ - 60,000 lbs.) Item 4837-0, Tariff 1-S, ICC 1352, Pacific Southcoast Freight
  88¢ - 40,000 lbs.) Bureau, Agent.

CANNED GOODS

Explanation of Reference Marks (Page 3, Continued)

p - Combination of Rates Over Portland, Ore., Constructed From Following Factors:

Thornton, Cal. to Portland, Ore.: As in (h) above.

Portland, Ore. to Spokane, Wash.: As in (e) above.

q - Combination of Rates Over Stockton, Cal., Constructed From Following Factors:

Thornton, Cal. to Stockton, Cal.: As in (i) above.

Stockton, Cal. to Spokane, Wash.: 78¢ - 60,000 lbs.) Item 4837-0, Tariff 1-S, ICC 1352, Pacific Southcoast Freight
93¢ - 40,000 lbs.) Bureau, Agent.

r - Combination of Rates Over Portland, Ore., Constructed From Following Factors:

Thornton, Cal. to Portland, Ore.: As in (h) above.

Portland, Ore. to The Dalles, Ore.: As in (f) above.

s - Combination of Rates Over Stockton, Cal., Constructed From Following Factors:

Thornton, Cal. to Stockton, Cal.: As in (i) above.

Stockton, Cal. to The Dalles, Ore.: 58½¢ - 60,000 lbs.) Item 4838-P, Tariff 1-S, ICC 1352, Pacific Southcoast Freight
74 ¢ - 40,000 lbs.) Bureau, Agent.

t - Combination of Rates Over Portland, Ore., Constructed From Following Factors:

McHenry, Cal. to Portland, Ore.: 61½¢ - 60,000 lbs.) Rates From Modesto, Cal. as Maximum, Item 4845-U, Tariff 1-S,
77 ¢ - 40,000 lbs.) ICC 1352, Pacific Southcoast Freight Bureau, Agent.

Portland, Ore. to Bellevue, Wash.: As in (a) above.

u - Combination of Rates Over Stockton, Cal., Constructed From Following Factors:

McHenry, Cal. to Stockton, Cal.: 13½¢ - 36,000 lbs.) Item 3570, Tariff 300, ICC 1439, Pacific Southcoast Freight
Bureau, Agent.

Stockton, Cal. to Bellevue, Wash.: As in (i) above.

- Item 4845-U, Tariff 1-S, ICC 1352, Pacific Southcoast Freight Bureau, Agent.

w - Combination of Rates Over Portland, Ore., Constructed From Following Factors:
McHenry, Cal. to Portland, Ore.: As in (t) above.
Portland, Ore. to Yakima, Wash.: As in (c) above.

x - Combination of Rates Over Stockton, Cal., Constructed From Following Factors:
McHenry, Cal. to Stockton, Cal.: As in (u) above.
Stockton, Cal. to Yakima, Wash.: As in (k) above.

y - Combination of Rates Over Portland, Ore., Constructed From Following Factors:
McHenry, Cal. to Portland, Ore.: As in (t) above.
Portland, Ore. to Walla Walla, Wash.: As in (d) above.

z - Combination of Rates Over Stockton, Cal., Constructed From Following Factors:
McHenry, Cal. to Stockton, Cal.: As in (u) above.
Stockton, Cal. to Walla Walla, Wash.: As in (n) above.

aa - Rates From Modesto, Cal. as Maximum, Item 4845-U, Tariff 1-S, ICC 1352, Pacific Southcoast Freight Bureau, Agent.

bb - Combination of Rates Over Portland, Ore., Constructed From Following Factors:
McHenry, Cal. to Portland, Ore.: As in (t) above.
Portland, Ore. to Spokane, Wash.: As in (e) above.

cc - Combination of Rates Over Stockton, Cal., Constructed From Following Factors:
McHenry, Cal. to Stockton, Cal.: As in (u) above.
Stockton, Cal. to Spokane, Wash.: As in (q) above.

dd - Combination of Rates Over Portland, Ore., Constructed From Following Factors:
McHenry, Cal. to Portland, Ore.: As in (t) above.
Portland, Ore. to The Dalles, Ore.: As in (f) above.

CANNED GOODS

Explanation of Reference Marks (Page 5, Continued)

ee - Combination of Rates Over Stockton, Cal., Constructed From Following Factors:

McHenry, Cal. to Stockton, Cal.: As in (u) above.

Stockton, Cal. to The Dalles, Ore.: As in (s) above.

ff - Rates to Bend, Ore. as Maximum, Item 4850-Q, Tariff 1-S, ICC 1352, Pacific Southcoast Freight Bureau, Agent.

gg - Combination of Rates Over Stockton, Cal., Constructed From Following Factors:

McHenry, Cal. to Stockton, Cal.: As in (u) above.

Stockton, Cal. to Portland, Ore.: 58½¢ - 60,000 lbs.) Item 4837-0, Tariff 1-S, ICC 1352, Pacific Southcoast Freight
74 ¢ - 40,000 lbs.) Bureau, Agent.

hh - Combination of Rates Over Portland, Ore., Constructed From Following Factors:

San Francisco, Cal. to Portland, Ore.: 58½¢ - 60,000 lbs.) Item 4837-0, Tariff 1-S, ICC 1352, Pacific Southcoast Freig
74 ¢ - 40,000 lbs.) Bureau, Agent.

Portland, Ore. to Bellevue, Wash.: As in (a) above.

Rates Northern Pacific Railway or Union Pacific Railroad Company are compared with joint through rates in effect via defendant's routes with the Southern Pacific Company via Portland.

(Rates are in Cents per 100 pounds and incluDc Ex Parte 22) increase)

COLUMN: 1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
					PRESENT					PROPOSED				
LINE NO.	COMMODITY	FROM	TO	VIA	MILES	RATE	Min. Wt. (Lbs.)	Per Car: ($)	PCPM: (¢)	PTPM (Mills)	RATE	Min. Wt. (Lbs.)	Per Car: ($)	PCPM: (¢)	PTPM (Mills)
1	Flour	Pendleton, Ore.	San Francisco, Cal.	UP-GN-WP	1102	a 85½	60,000	513.00	46.6	14.5	67½	60,000	405.00	36.8	12.3
2				UP-SP	934	b 67½	60,000	405.00	43.4	14.5					
3			Los Angeles, Cal.	UP-GN-WP-AT&SF	1524	c 117	60,000	702.00	46.1	15.4	99	60,000	594.00	39.0	13.0
4				UP-SP	1307	d 99	60,000	594.00	45.4	15.1					
5				UP-SP-ATSF	1425	d 99	60,000	594.00	41.7	13.9					
6				NP-GN-WP	1375	e 87½	60,000	525.00	38.2	12.7	67½	60,000	405.00	29.5	9.8
7		Dayton, Wash.	San Francisco, Cal.	NP-SP	1205	f 67½	60,000	405.00	33.6	11.2					
8				UP-GN-WP	1169	g 87½	60,000	525.00	44.9	15.0	67½	60,000	405.00	34.6	11.5
9				UP-SP	1001	f 67½	60,000	405.00	40.5	13.5					
10															
11		Dayton, Wash.	Los Angeles, Cal.	NP-GN-WP-ATSF	1795	h 119	60,000	714.00	39.8	13.3	99	60,000	594.00	33.1	11.0
12				NP-SP	1578	i 99	60,000	594.00	37.6	12.5					
13				NP-SP-ATSF	1696	i 99	60,000	594.00	35.0	11.7					
14				UP-GN-WP-ATSF	1592	j 119	60,000	714.00	44.8	14.9	99	60,000	594.00	37.3	12.4
15				UP-SP	1374	i 99	60,000	594.00	43.2	14.4					
16				UP-SP-ATSF	1492	i 99	60,000	594.00	39.8	13.3					
17															
18		Lewiston, Idaho	San Francisco, Cal.	CamP-NP-GN-WP	1413	k 96½	60,000	579.00	41.0	13.7	74	60,000	444.00	31.4	10.5
19				CamP-NP-SP	1245	m 74	60,000	444.00	35.7	11.9					
20				CamP-UP-GN-WP	1242	k 96½	60,000	579.00	46.6	15.5	74	60,000	444.00	35.7	11.9
21				CamP-UP-SP	1074	m 74	60,000	444.00	41.3	13.8					
22															
23		Lewiston, Idaho	Los Angeles, Cal.	CamP-NP-GN-WP-ATSF	1836	n 128	60,000	768.00	41.8	13.9	105	60,000	630.00	34.3	11.4
24				CamP-NP-SP	1618	p 105	60,000	630.00	38.9	13.0					
25				CamP-NP-SP-ATSF	1736	p 105	60,000	630.00	36.3	12.1					
26				CamP-UP-GN-WP-ATSF	1665	n 128	60,000	768.00	46.1	15.4	105	60,000	630.00	37.8	12.6
27				CamP-UP-SP	1447	p 105	60,000	630.00	43.5	14.5					
28				CamP-UP-SP-ATSF	1565	p 105	60,000	630.00	40.3	13.4					
29															
30															
31															
32															
33															
34															

1200

Explanation of Reference Marks

a - Combination of Rates Over Portland, Ore., Constructed From Following Factors:

Pendleton, Ore. To Portland, Ore.: 18½¢ - 60,000 lbs.) Item 2796-A, Tariff 10-0, ICC 978, North Pacific Coast Freight Bureau, Agent.

Portland, Ore. To San Francisco, Cal.: 67½¢ - 60,000 lbs.) Item 6700-A, Tariff 241-E, ICC 1577, Pacific Southcoast Freight Bureau, Agent.

b - Item 6725-A, Tariff 241-E, ICC 1577, Pacific Southcoast Freight Bureau, Agent.

c - Combination of Rates Over Portland, Ore., Constructed From Following Factors:

Pendleton, Ore. To Portland, Ore.: As in (a) above.

Portland, Ore. To Los Angeles, Cal.: 99¢ - 60,000 lbs.) Item 6716-A, Tariff 241-E, ICC 1577, Pacific Southcoast Freight Bureau, Agent.

d - Item 6739-A, Tariff 241-E, ICC 1577, Pacific Southcoast Freight Bureau, Agent.

e - Combination of Rates Over Portland, Ore., Constructed From Following Factors:

Dayton, Wash. To Portland, Ore.: 20½¢ - 60,000 lbs.) Item 2230-A, Tariff 10-0, ICC 978, North Pacific Coast Freight Bureau, Agent.

Portland, Ore. To San Francisco, Cal.: As in (a) above.

f - Item 6745-A, Tariff 241-E, ICC 1577, Pacific Southcoast Freight Bureau, Agent.

g - Combination of Rates Over Portland, Ore., Constructed From Following Factors:

Dayton, Wash. To Portland, Ore.: 20½¢ - 60,000 lbs.) Item 2896-A, Tariff 10-0, ICC 978, North Pacific Coast Freight Bureau, Agent.

Portland, Ore. To San Francisco, Cal.: As in (a) above.

h - Combination of Rates Over Portland, Ore., Constructed From Following Factors:

Dayton, Wash. To Portland, Ore.: As in (e) above.

Portland, Ore. To Los Angeles, Cal.: As in (c) above.

i - Item 6755-A, Tariff 241-E, ICC 1577, Pacific Southcoast Freight Bureau, Agent.

j - Combination of Rates Over Portland, Ore., Constructed From Following Factors:

Dayton, Wash. To Portland, Ore.: As in (g) above.

Portland, Ore. To Los Angeles, Cal.: As in (c) above.

k - Combination of Rates Over Portland, Ore., Constructed From Following Factors:

Lewiston, Ida. To Portland, Ore.: 29½ - 60,000 lbs.) Item 1532-A, Tariff 10-O, ICC 978, North Pacific Coast Freight Bureau, Agent.

Portland, Ore. To San Francisco, Cal.: As in (a) above.

m - Item 6800-A, Tariff 241-E, ICC 1577, Pacific Southcoast Freight Bureau, Agent.

n - Combination of Rates Over Portland, Ore., Constructed From Following Factors:

Lewiston, Ida. To Portland, Ore.: As in (k) above.

Portland, Ore. To Los Angeles, Cal.: As in (c) above.

p - Item 6815-A, Tariff 241-E, ICC 1577, Pacific Southcoast Freight Bureau, Agent.

Representative Commodities on which present combination rates applicable via Bieber and Portland thence Northern Pacific Railway or Union Pacific Railroad Company are compared with joint through rates in effect via defendant's routes with the Southern Pacific Company via Portland.

(Rates are in Cents per 100 pounds and include Ex Parte 223 increase)

COL/LNS/1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
L:					PRESENT						PROPOSED			
I: COMMOD-	FROM	TO	VIA	MILES	RATE	Min.Wt. (Lbs.)	Per Car ($)	PCFM (¢)	PTFM (Mills)	RATE	Min.Wt. (Lbs.)	Per Car ($)	PCFM (¢)	PTFM (Mills)
H: ITY														
E:														
1: Lumber	Cocolla-	San Fran-	NP-GN-WP	1474	(91	70,000	637.00	43.2	12.3	83¢	70,000	584.50	39.7	11.3
2:	lla,	cisco, Cal.			a(94	60,000	564.00	38.3	12.8	86¢	60,000	519.00	35.2	11.7
3:	Idaho				(100	50,000	500.00	33.9	13.6	92¢	50,000	462.50	31.4	12.6
4:			NP-SP	1306	(85¢	70,000	584.50	44.8	12.8					
5:					b(86¢	60,000	519.00	39.7	13.2					
6:					(92¢	50,000	462.50	35.4	14.2					
7:	Cocolla-	Los Angeles,	NP-GN-WP-	1897	(110	70,000	770.00	40.6	11.6	98¢	70,000	689.50	36.3	10.4
8:	lla,	Cal.	ATASF		c(115	60,000	690.00	36.4	12.1	101¢	60,000	609.00	32.1	10.7
9:	Idaho				(127	50,000	635.00	33.5	13.4	107¢	50,000	537.50	28.3	11.3
10:			NP-SP	1679	(98¢	70,000	689.50	41.1	11.7					
11:					d(101¢	60,000	609.00	36.3	12.1					
12:					(107¢	50,000	537.50	32.0	12.8					
13:			NP-SP-	1797	(98¢	70,000	689.50	38.4	11.0					
14:			ATASF		d(101¢	60,000	609.00	33.9	11.3					
15:					(107¢	50,000	537.50	29.9	12.0					
16:	Yakima,	San Fran-	NP-GN-WP	1187	(72	70,000	504.00	42.5	12.1					
17:	Wash.	cisco, Cal.			e(75	60,000	450.00	37.9	12.6					
18:					(81	50,000	405.00	34.1	13.6					
19:			NP-SP	1019	(72	70,000	504.00	49.5	14.1					
20:					e(75	60,000	450.00	44.2	14.7					
21:					(81	50,000	405.00	39.7	15.9					
22:			UP-GN-WP	1201	(72	70,000	504.00	42.0	12.0					
23:					e(75	60,000	450.00	37.5	12.5					
24:					(81	50,000	405.00	33.7	13.5					
25:			UP-SP	1033	(72	70,000	504.00	48.8	13.9					
26:					e(75	60,000	450.00	43.6	14.5					
27:					(81	50,000	405.00	39.2	15.7					
28:	Yakima,	Los Angeles,	NP-GN-WP-	1609	(91	70,000	637.00	39.6	11.3	88¢	70,000	617.75	38.4	11.0
29:	Wash.	Cal.	ATASF		c(96	60,000	576.00	35.8	11.9	93¢	60,000	559.50	34.8	11.6
30:					(108	50,000	540.00	33.6	13.4	103	50,000	515.00	32.0	12.8
31:			NP-SP	1398	e(72	70,000	504.00	36.0	12.9					

Representative Commodities on which present combination rates applicable via Bieber and Portland thence Northern Pacific Railway or Union Pacific Railroad Company are compared with joint through rates in effect via defendant's routes with the Southern Pacific Company via Portland.
(Rates are in Cents per 100 pounds and include Ex Parte 223 increase)

COLUMNS: 1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
					PRESENT					PROPOSED				
L: I: COMMOD- N: ITY E:	FROM	TO	VIA	MILES	RATE	Min.Wt. (Lbs.)	Per Car ($)	FCPM (¢)	PTM (Mills)	RATE	Min.Wt. (Lbs.)	Per Car ($)	FCPM (¢)	PTM (Mills)
1 Lumber	Yakima,	Los Angeles,	NP-SP-	1509	g(88¼	70,000	617.75	40.9	11.7					
2	Wash.	Cal.	AT&SF		(93¼	60,000	559.50	37.1	12.4					
3					h 103	50,000	515.00	34.1	13.7					
4			NP-SP&S-	1416	(87	70,000	609.00	43.0	12.3					
5			OT-GN-		i(92	60,000	552.00	39.0	13.0					
6			AT&SF		(104	50,000	520.00	36.7	14.7					
7			NP-SP&S-	1284	(87	70,000	609.00	47.4	13.6					
8			OT-GN-SP		i(92	60,000	552.00	43.0	14.3					
9					(104	50,000	520.00	40.5	16.2					
10			NP-SP&S-	1401	(87	70,000	609.00	43.5	12.4					
11			OT-GN-SP-		i(92	60,000	552.00	39.4	13.1					
12			AT&SF		(104	50,000	520.00	37.1	14.8					
13			UP-GN-WP-	1624	(91	70,000	637.00	39.2	11.2	88¼	70,000	617.75	38.0	10.9
14			AT&SF		f(96	60,000	576.00	35.5	11.8	93¼	60,000	559.50	34.5	11.5
15					(108	50,000	540.00	33.3	13.3	103	50,000	515.00	31.7	12.7
16			UP-SP	1486	g(88¼	70,000	617.75	43.9	12.6					
17					(93¼	60,000	559.50	39.8	13.3					
18					h 103	50,000	515.00	36.6	14.7					
19			UP-SP-	1524	g(88¼	70,000	617.75	40.5	11.6					
20			AT&SF		(93¼	60,000	559.50	36.7	12.2					
21					h 103	50,000	515.00	33.8	13.5					
22	Shel-	San Fran-	NP-GN-WP	1035	(83¼	70,000	444.50	42.9	12.3					
23	ton,	cisco, Cal.			j(67	60,000	402.00	38.8	12.9					
24	Wash.				(73	50,000	365.00	35.3	14.1					
25			NP-SP	870	(83¼	70,000	444.50	51.1	14.6					
26					j(67	60,000	402.00	46.2	15.4					
27					(73	50,000	365.00	42.0	16.8					
28	Shel-	Los Angeles,	NP-GN-WP-	1460	(83	70,000	581.00	39.8	11.4	77	70,000	539.00	36.9	10.5
29	ton,	Cal.	AT&SF		k(88	60,000	528.00	36.2	12.1	82	60,000	492.00	33.7	11.2
30	Wash.				(100	50,000	500.00	34.2	13.7	94	50,000	470.00	32.2	12.9
31			NP-SP	1243	(77	70,000	539.00	43.4	12.4					
33					p(82	60,000	492.00	39.6	13.2					
34					(94	50,000	470.00	37.8	15.1					

Representative Commodities on which present combination rates applicable via Bieber and Portland thence Northern Pacific Railway or Union Pacific Railroad Company are compared with joint through rates in effect via defendant's routes with the Southern Pacific Company via Portland.
(Rates are in Cents per 100 pounds and include Ex Parte 223 increase)

COLUMNS/1:	2	3	4	5	6	7	8	9	10	11	12	13	14	15
L:					PRESENT					PROPOSED				
I:COMMOD-	FROM	TO	VIA	MILES	RATE	Min.Wt.	Per Car	FCPM	PTPM	RATE	Min.Wt.	Per Car	FCPM	PTPM
M:ITY						(Lbs.)	($)	(¢)	(Mills)		(Lbs.)	($)	(¢)	(Mills)
E:														
1: Lumber	Shel-	Los Angeles,	NP-SP-	1361	(77	70,000	539.00	39.6	11.3					
2:	ton,	Cal.	AT&SF		d(82	60,000	492.00	36.1	12.0					
3:	Wash.				(94	50,000	470.00	34.5	13.8					
4:	Olympia,	San Fran-	NP-GN-WP	1013	(63	70,000	444.50	43.9	12.5					
5:	Wash.	cisco, Cal.			m(67	60,000	402.00	39.7	13.2					
6:					(73	50,000	365.00	36.0	14.4					
7:			NP-SP	804	(63	70,000	444.50	52.7	15.0					
8:					m(67	60,000	402.00	47.6	15.9					
9:					(73	50,000	365.00	43.2	17.3					
10:	Olympia,	Los Angeles,	NP-GN-WP-	1435	(83	70,000	581.00	40.5	11.6	77	70,000	539.00	37.6	10.7
11:	Wash.	Cal.	AT&SF		n(88	60,000	528.00	36.8	12.3	82	60,000	492.00	34.3	11.4
12:					(100	50,000	500.00	34.8	13.9	94	50,000	470.00	32.8	13.1
13:			NP-SP	1217	(77	70,000	539.00	44.3	12.7					
14:					p(82	60,000	492.00	40.4	13.5					
15:					(94	50,000	470.00	38.6	15.4					
16:			NP-SP-	1335	(77	70,000	539.00	40.4	11.5					
17:			AT&SF		p(82	60,000	492.00	36.9	12.3					
18:					(94	50,000	470.00	35.2	14.1					

Explanation of Reference Marks

[Vol 538]

a - Combination of Rates Over Portland, Ore., Constructed From Following Factors:

Cocolalla, Idaho to Portland, Ore.: 45½¢ - 50,000 lbs.) Item 1290-G, Tariff 41-J, ICC 994, North Pacific Coast Freight Bureau, Agent.

Portland, Ore. to San Francisco, Cal.: 54½¢ - 50,000 lbs.) Item 3195-G, Tariff 80-I, ICC 1536, Pacific Southcoast Freight Bureau, Agent.
48½¢ - 60,000 lbs.)
45½¢ - 70,000 lbs.)

b - Item 41-D and Item 3196-I, Tariff 80-I, ICC 1536, Pacific Southcoast Freight Bureau, Agent.

c - Combination of Rates Over Portland, Ore., Constructed From Following Factors:

Cocolalla, Idaho to Portland, Ore.: As in (a) above.

Portland, Ore. to Los Angeles, Cal.: 82¢ - 50,000 lbs.) Item 3195, 17-H, Tariff 80-I, ICC 1536, Pacific Southcoast Freight Bureau, Agent.
70¢ - 60,000 lbs.)
65¢ - 70,000 lbs.)

d - Item 41-D and Item 3196.17-H, Tariff 80-I, ICC 1536, Pacific Southcoast Freight Bureau, Agent.

e - Combination of Rates Over Portland, Ore., Constructed From Following Factors:

Yakima, Wash. to Portland, Ore.: 26½¢ - 50,000 lbs.) Item 1290-G, Tariff 41-J, ICC 994, North Pacific Coast Freight Bureau, Agent.

Portland, Ore. to San Francisco, Cal.: As in (a) above.

f - Combination of Rates Over Portland, Ore., Constructed From Following Factors:

Yakima, Wash. to Portland, Ore.: As in (e) above.

Portland, Ore. to Los Angeles, Cal.: As in (c) above.

g - Item 31-L and Item 3192.16-I, Tariff 80-I, ICC 1536, Pacific Southcoast Freight Bureau, Agent.

h - Item 3196.17-H, Tariff 80-I, ICC 1536, Pacific Southcoast Freight Bureau, Agent.

i - Combination of Rates Over Bend, Ore., Constructed From Following Factors:

Yakima, Wash. to Bend, Ore.: 29½¢ - 50,000 lbs.) Item 1290-G, Tariff 41-J, ICC 994, North Pacific Coast Freight Bureau, Agent.

(Continued)

LUMBER (Continued)
Explanation of Reference Marks

i - Combination of Rates Over Bend, Ore., Constructed From Following Factors (Continued):

Bend, Ore. to Los Angeles, Cal.: 75¢ - 50,000 lbs.) Item 3192.16-I, Tariff 80-I, ICC 1536, Pacific Southcoast
63¢ - 60,000 lbs.) Freight Bureau, Agent.
58¢ - 70,000 lbs.)

j - Combination of Rates Over Portland, Ore., Constructed From Following Factors:

Shelton, Wash. to Portland, Ore.: 18½¢ - 38,000 lbs.) Item 3110, Tariff 41-J, ICC 994, North Pacific Coast Freight
) Bureau, Agent.

Portland, Ore. to San Francisco, Cal.: As in (a) above.

k - Combination of Rates Over Portland, Ore., Constructed From Following Factors:

Shelton, Wash. to Portland, Ore.: As in (j) above.

Portland, Ore. to Los Angeles, Cal.: As in (c) above.

m - Combination of Rates Over Portland, Ore., Constructed From Following Factors:

Olympia, Wash. to Portland, Ore.: 18½¢ - 38,000 lbs.) Item 3152, Tariff 41-J, ICC 994, North Pacific Coast Freight
) Bureau, Agent.

Portland, Ore. to San Francisco, Cal.: As in (a) above.

n - Combination of Rates Over Portland, Ore., Constructed From Following Factors:

Olympia, Wash. to Portland, Ore.: As in (m) above.

Portland, Ore. to Los Angeles, Cal.: As in (c) above.

p - Item 3195.17-H, Tariff 80-I, ICC 1536, Pacific Southcoast Freight Bureau, Agent.

...which present combination rates applicable via Bieber and Portland thence ...thern Pacific Railway or Union Pacific Railroad Company are compared with joint through rates in ...fect via defendant's routes with the Southern Pacific Company via Portland.

(Rates are in Cents per 100 pounds and include Ex Parte 223 increase)

COLUMNS: 1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
					PRESENT					PROPOSED				
ITEM NO.	COMMODITY	FROM	TO	VIA	MILES	RATE	Min. Wt. (Lbs.)	Per Car ($)	PCPM (¢)	PTPM (Mills)	RATE	Min. Wt. (Lbs.)	Per Car ($)	PCPM (¢)	PTPM (Mills)
1	Pulp-board	Lewiston, Idaho	San Francisco, Cal.	CamP-NP-GN-WP	1413	(b101	80/70,000	808.00	57.2	14.2					
2						(b106	60,000	636.00	45.0	15.0					
3						(b114½	50,000	572.50	40.5	16.2					
4						a(									
5						(c119	80/70,000	952.00	67.4	16.8	c 65½	80/70,000	524.00	37.1	9.3
6						(–	70,000	–	–	–	75	70,000	525.00	37.2	10.6
7						(124	60,000	744.00	52.7	17.6	79	60,000	474.00	33.5	11.2
8						(132	50,000	660.00	46.7	18.9	86	50,000	430.00	30.4	12.2
9				CamP-NP-SP	1245	(c 65½	80/70,000	524.00	42.1	10.5					
10						d(75	70,000	525.00	42.2	10.0					
11						(79	60,000	474.00	38.1	12.7					
12						(86	50,000	430.00	34.5	13.8					
13				CamP-UP-GN-WP	1242	(b10.	80/70,000	808.00	65.1	16.3					
14						(b106	60,000	636.00	51.2	17.1					
15						(b114½	50,000	572.50	46.1	18.4					
16						a(									
17						(c119	80/70,000	952.00	76.7	19.2	c 65½	80/70,000	524.00	42.2	10.5
18						(–	70,000	–	–	–	75	70,000	525.00	42.3	12.1
19						(124	60,000	744.00	59.9	20.0	79	60,000	474.00	38.2	12.7
20						(132	50,000	660.00	53.1	21.3	86	50,000	430.00	34.6	13.8
21				CamP-UP-SP	1074	(c 65½	80/70,000	524.00	48.8	12.2					
22						d(75	70,000	525.00	48.9	14.0					
23						(79	60,000	474.00	44.1	14.7					
24						(86	50,000	430.00	40.0	16.0					
25			Los Angeles, Cal.	CamP-NP-GN-WP-AT&SP	1836	(b120½	80/70,000	964.00	52.5	13.1					
26						(b126½	60,000	759.00	41.3	13.8					
27						(b133½	50,000	667.50	36.4	14.5					
28						e(									
29						(c138	80/70,000	1104.00	60.1	15.0	c 84	80/70,000	672.00	36.6	9.2
30						(–	70,000	–	–	–	94	70,000	658.00	35.8	10.2
31						(144	60,000	864.00	47.1	15.7	98	60,000	588.00	32.0	10.7
32						(151	50,000	755.00	41.1	16.4	106	50,000	530.00	28.9	11.5
33				CamP-NP-SP	1618	(c 84	80/70,000	672.00	41.5	10.4					
34						d(94	70,000	658.00	40.7	11.6					
35						(98	60,000	588.00	36.3	12.1					
36						(106	50,000	530.00	32.8	13.1					

Representative Commodities on which present combination rates applicable via Bieber and Portland thence Northern Pacific Railway or Union Pacific Railroad Company are compared with joint through rates in effect via defendant's routes with the Southern Pacific Company via Portland.
(Rates are in Cents per 100 pounds and include Ex Parte 223 increase)

COLUMNS/1:	2	3	4	5	6	7	8	9	10	11	12	13	14	15
L:					PRESENT					PROPOSED				
I:COMMOD-	FROM	TO	VIA	MILES	RATE	Min.Wt.	Per Car	PCPM	PTPM	RATE	Min.Wt.	Per Car	PCPM	PTPM
N:ITY						(Lbs.)	($)	(¢)	(Mills)		(Lbs.)	($)	(¢)	(Mills
1:Pulp-	Lewis-	Los Angeles,	CamP-NP-	1736	(c 84	80/70,000:	672.00:	38.7:	9.7					
2:board	ton,	Cal.	SP-AT&SP		d(94	70,000:	658.00:	37.9:	10.8					
3:	Idaho				(98	60,000:	588.00:	33.9:	11.3					
4:					(106	50,000:	530.00:	30.5:	12.2					
5:			CamP-UP-	1665	(b120	80/70,000:	964.00:	57.9:	14.5					
6:			GN-WP-		(b126	60,000:	759.00:	45.6:	15.2					
7:			AT&SF		(b133	50,000:	667.50:	40.1:	16.0					
8:					e(									
9:					(c138	80/70,000:	1104.00:	66.3:	16.6	c 84	80/70,000:	672.00:	40.4:	10.1
10:					(-	70,000:	-	-	-	94	70,000:	658.00:	39.5:	11.3
11:					(144	60,000:	864.00:	51.9:	17.3	98	60,000:	588.00:	35.3:	11.8
12:					(151	50,000:	755.00:	45.3:	18.1	106	50,000:	530.00:	31.8:	12.7
13:			CamP-UP-	1447	(c 84	80/70,000:	672.00:	46.4:	11.6					
14:			SP		d(94	70,000:	658.00:	45.5:	13.0					
15:					(98	60,000:	588.00:	40.6:	13.5					
16:					(106	50,000:	530.00:	36.6:	14.7					
17:			CamP-UP-	1565	(c 84	80/70,000:	672.00:	42.9:	10.7					
18:			SP-AT&SF		d(94	70,000:	658.00:	42.0:	12.0					
19:					(98	60,000:	588.00:	37.6:	12.5					
20:					(106	50,000:	530.00:	33.9:	13.5					
21:	Wallula,	San Fran-	NP-GN-WP	1290	(c 93	80/70,000:	744.00:	57.7:	14.4	c 65	80/70,000:	524.00:	40.6:	10.2
22:	Wash.	cisco, Cal.			f(-	70,000:	-	-	-	75	70,000:	525.00:	40.7:	11.6
23:					(108	60,000:	648.00:	50.2:	16.7	79	60,000:	474.00:	36.7:	12.2
24:					(116	50,000:	580.00:	45.0:	18.0	86	50,000:	430.00:	33.3:	13.3
25:			NP-SP	1122	(c 65	80/70,000:	524.00:	46.7:	11.7					
26:					d(75	70,000:	525.00:	46.8:	13.4					
27:					(79	60,000:	474.00:	42.2:	14.1					
28:					(86	50,000:	430.00:	38.3:	15.3					
29:			UP-GN-WP	1102	(c 93	80/70,000:	744.00:	67.5:	16.9	c 65	80/70,000:	524.00:	47.5:	11.9
30:					f(-	70,000:	-	-	-	75	70,000:	525.00:	47.6:	13.6
31:					(108	60,000:	648.00:	58.8:	19.6	79	60,000:	474.00:	43.0:	14.3
32:			UP-SP	930	(c 75	80/70,000:	600.00:	64.5:	19.4	64	80/70,000:	430.00:	39.0:	11.8

Southern Pacific Railway or Union Pacific Railroad Company are compared with joint through rates in effect via defendant's routes with the Southern Pacific Company via Portland.

(Rates are in Cents per 100 pounds and include Ex Parte 223 increase)

COMMODITY	2	3	4	5	6	7	8	9	10	11	12	13	14	15
					PRESENT					PROPOSED				
	FROM	TO	VIA	MILES	RATE	Min.Wt. (Lbs.)	Per Car ($)	PCM (¢)	PTM (Mills)	RATE	Min.Wt. (Lbs.)	Per Car ($)	PCM (¢)	PTM (Mills)
1	Wallula,	Los Angeles,	NP-ON-WP-	1712	(c 112	80/70,000	896.00	52.3	13.1	c 84	80/70,000	672.00	39.3	9.8
2	Wash.	Cal.	AT&SF		g(-	70,000	-	-	-	94	70,000	658.00	38.4	11.0
3					(128	60,000	768.00	44.9	15.0	98	60,000	588.00	34.3	11.4
4					(135	50,000	675.00	39.4	15.8	106	50,000	530.00	31.0	12.4
5			NP-SP	1495	(c 84	80/70,000	672.00	44.9	11.2					
6					d(94	70,000	658.00	44.0	12.6					
7					(98	60,000	588.00	39.3	13.1					
8					(106	50,000	530.00	35.5	14.2					
9			NP-SP-	1612	(c 84	80/70,000	672.00	41.7	10.4					
10			AT&SF		d(94	70,000	658.00	40.8	11.7					
11					(98	60,000	588.00	36.5	12.2					
12					(106	50,000	530.00	32.9	13.2					
13			UP-ON-WP-	1525	(c 112	80/70,000	896.00	58.8	14.7	c 84	80/70,000	672.00	44.1	11.0
14			AT&SF		g(-	70,000	-	-	-	94	70,000	658.00	43.1	12.3
15					(128	60,000	768.00	50.4	16.8	98	60,000	588.00	38.6	12.9
16					(135	50,000	675.00	44.3	17.7	106	50,000	530.00	34.8	13.9
17			UP-SP	1307	(c 84	80/70,000	672.00	51.4	12.9					
18					d(94	70,000	658.00	50.3	14.4					
19					(98	60,000	588.00	45.0	15.0					
20					(106	50,000	530.00	40.6	16.2					
21			UP-SP-	1425	(c 84	80/70,000	672.00	47.2	11.8					
22			AT&SF		d(94	70,000	658.00	46.2	13.2					
23					(98	60,000	588.00	41.3	13.8					
24					(106	50,000	530.00	37.2	14.9					

PULPBOARD

Explanation of Reference Marks

a - Combination of Rates Over Portland, Ore., Constructed From Following Factors:

Lewiston, Ida. To Portland, Ore.: b 45½¢ - 50,000 lbs.) Item 1277-A, Tariff 80-M, ICC 1020, North Pacific Coast Freig
) Bureau, Agent. Rates published as not subject to Tariff of
) Increased Rates and Charges X-223.

63½¢ - 50,000 lbs.) Item 1275, Tariff 80-M, ICC 1020, North Pacific Coast Freight
) Bureau, Agent.

Portland, Ore. To San Francisco, Cal.: c 55½¢ - 80/70,000 lbs.) Item 8870-X, Tariff 1-S, ICC 1352, Pacific Southcoast
60½¢ - 60,000 lbs.) Freight Bureau, Agent.
69 ¢ - 50,000 lbs.)

b - Applies only on Pulpboard, other than Corrugated, when on Pallets or in Rolls weighing not less than 500 lbs.

c - Applies only on Pulpboard, other than Corrugated.

d - Item 8876-J, Tariff 1-S, ICC 1352, Pacific Southcoast Freight Bureau, Agent.

e - Combination of Rates Over Portland, Ore., Constructed From Following Factors:

Lewiston, Ida. To Portland, Ore.: As in (a) above.

Portland, Ore. To Los Angeles, Cal.: c 75¢ - 80/70,000 lbs.) Item 8870-X, Tariff 1-S, ICC 1352, Pacific Southcoast
81¢ - 60,000 lbs.) Freight Bureau, Agent.
88¢ - 50,000 lbs.)

f - Combination of Rates Over Portland, Ore., Constructed From Following Factors:

Wallula, Wash. To Portland, Ore.: 37½¢ - 80/70,000 lbs.) Item 1156, Tariff 80-M, ICC 1020, North Pacific Coast Freigh
47½¢ - 30,000 lbs.) Bureau, Agent.

Portland, Ore. To San Francisco, Cal.: As in (a) above.

g - Combination of Rates Over Portland, Ore., Constructed From Following Factors:

Wallula, Wash. To Portland, Ore.: As in (f) above.

Portland, Ore. To Los Angeles, Cal.: As in (e) above.

...ties on which present combination rates applicable via Pasco and Portland ...e Northern Pacific Railway or Union Pacific Railroad Company are compared with joint through ...es in effect via defendant's routes with the Southern Pacific Company via Portland.

(Rates are in Cents per 100 pounds and include Ex Parte 223 increase)

COMMODITY	FROM	TO	VIA	MILES	PRESENT RATE	PRESENT Min.Wt. (Lbs.)	PRESENT Per Car ($)	PRESENT PCPM (¢)	PRESENT PTPM (Mills)	PROPOSED RATE	PROPOSED Min.Wt. (Lbs.)	PROPOSED Per Car ($)	PROPOSED PCPM (¢)	PROPOSED PTPM (Mills)
Roofing and Building Material	Stockton, Cal.	Toppenish, Wash.	WP-GN-NP	1113	a(99	100,000	990.00	88.9	17.8	96	100,000	960.00	86.3	17.3
					(116	40,000	464.00	41.7	20.8	104	40,000	416.00	37.4	18.7
			SP-NP	1013	b(96	100,000	960.00	94.8	19.0					
					(104	40,000	416.00	41.1	20.5					
	Pittsburg, Cal.	Toppenish, Wash.	SN-WP-GN-NP	1144	c(99	100,000	990.00	86.5	17.3	96	100,000	960.00	83.9	16.8
					(116	40,000	464.00	40.6	20.3	104	40,000	416.00	36.4	18.2
			SP-NP	1017	b(96	100,000	960.00	94.4	18.9					
					(104	40,000	416.00	40.9	20.5					
			AT&SF-SP-NP	1048	b(96	100,000	960.00	91.6	18.3					
					(104	40,000	416.00	39.7	19.8					
	Stockton, Cal.	Portland, Ore.	WP-GN	794	b(65	100,000	655.00	82.5	16.5					
					(78	40,000	312.00	39.3	19.6					
			SP	894	b(65	100,000	655.00	94.4	18.9					
					(78	40,000	312.00	45.0	22.5					
	Stockton, Cal.	Yakima, Wash.	WP-GN-UP	1108	d(99	100,000	990.00	89.4	17.9	96	100,000	960.00	86.6	17.3
					(116	40,000	464.00	41.9	20.9	104	40,000	416.00	37.5	18.8
			SP-UP	1008	b(96	100,000	960.00	95.2	19.0					
					(104	40,000	416.00	41.3	20.6					
	Pittsburg, Cal.	Yakima, Wash.	SN-WP-GN-UP	1139	e(99	100,000	990.00	86.9	17.4	96	100,000	960.00	84.3	16.9
					(116	40,000	464.00	40.7	20.4	104	40,000	416.00	36.5	18.3
			SP-UP	1012	b(96	100,000	960.00	94.9	19.0					
					(104	40,000	416.00	41.1	20.6					
			AT&SF-SP-UP	1043	b(96	100,000	960.00	92.0	18.4					
					(104	40,000	416.00	39.9	19.9					
	Stockton, Cal.	Spokane, Wash.	WP-GN	959	b(111	80,000	888.00	92.6	23.1					
					(124	40,000	496.00	51.7	25.9					

ROOFING AND BUILDING MATERIALS

Explanation of Reference Marks

a - Combination of Rates Over Portland, Ore., Constructed From Following Factors:

Stockton, Cal. To Portland, Ore.: 65½¢ - 100,000 lbs.) Item 9540-Q, Tariff 1-S, ICC 1352, Pacific Southcoast Freight
78 ¢ - 40,000 lbs.) Bureau, Agent.

Portland, Ore. To Toppenish, Wash.: 33½¢ - 60,000 lbs.) Item 7400-C, Tariff 2-P, ICC 1001, North Pacific Coast Freigh
38½¢ - 40,000 lbs.) Bureau, Agent.

b - Item 9540-Q, Tariff 1-S, ICC 1352, Pacific Southcoast Freight Bureau, Agent.

c - Combination of Rates Over Portland, Ore., Constructed From Following Factors:

Pittsburg, Cal. To Portland, Ore.: 65½¢ - 100,000 lbs.) Item 9540-Q, Tariff 1-S, ICC 1352, Pacific Southcoast Freigh
78¢ - 40,000 lbs.) Bureau, Agent.

Portland, Ore. To Toppenish, Wash.: As in (a) above.

d - Combination of Rates Over Portland, Ore., Constructed From Following Factors:

Stockton, Cal. To Portland, Ore.: As in (a) above.

Portland, Ore. To Yakima, Wash.: 33½¢ - 60,000 lbs.) Item 7400-C, Tariff 2-P, ICC 1001, North Pacific Coast Freight
38½¢ - 40,000 lbs.) Bureau, Agent.

e - Combination of Rates Over Portland, Ore., Constructed From Following Factors:

Pittsburg, Cal. To Portland, Ore.: As in (c) above.

Portland, Ore. To Yakima, Wash.: As in (d) above.

...ince Northern Pacific Railway or Union Pacific Railroad Company are compared with joint through
...tes in effect via defendant's routes with the Southern Pacific Company via Portland.
(Rates are in Cents per 100 pounds and include Ex Parte 223 increase)

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
						PRESENT					PROPOSED				
	COMMODITY	FROM	TO	VIA	MILES	RATE	Min.Wt. (Lbs.)	Per Car ($)	PCPM (¢)	PTPM (Mills)	RATE	Min.Wt. (Lbs.)	Per Car ($)	PCPM (¢)	PTPM (Mills)
1	Sugar	Crockett,Cal.	Yakima,Wash.	BARN-WP-GN-NP	1230	(b 106	120,000	1272.00	103.4	17.2	b 87	120,000	1044.00	84.9	14.1
2						a(c 106	80,000	848.00	68.9	17.2	c 87	80,000	696.00	56.6	14.1
3						(c 130½	40,000	522.00	42.4	21.2	c104	40,000	416.00	33.8	16.9
4				SP-NP	989	(b 87	120,000	1044.00	105.6	17.6					
5						d(c 87	80,000	696.00	70.4	17.6					
6						(c 104	80,000	416.00	42.1	21.0					
7				BARN-WP-GN-UP	1220	(b 107	120,000	1284.00	105.2	17.5	b 87	120,000	1044.00	85.6	14.3
8						e(c 107	80,000	856.00	70.2	17.5	c 87	80,000	696.00	57.0	14.3
9						(c 132½	40,000	530.00	43.4	21.7	c104	40,000	416.00	34.1	17.0
10				SP-UP	1003	(b 87	120,000	1044.00	104.1	17.3					
11						d(c 87	80,000	696.00	69.4	17.3					
12						(c 104	40,000	416.00	41.5	20.7					
13		Clarksburg, Cal.	Yakima,Wash.	SN-WP-GN-NP	1085	(b 1 4	120,000	1248.00	115.0	19.2	b 87	120,000	1044.00	96.2	16.0
14						f(c 104	80,000	832.00	76.7	19.2	c 87	80,000	696.00	64.1	16.0
15						(c 124½	40,000	498.00	45.9	22.9	c104	40,000	416.00	38.3	19.2
16				SN-SP-NP	963	(b 87	120,000	1044.00	108.4	18.1					
17						d(c 87	80,000	696.00	72.3	18.1					
18						(c 104	40,000	416.00	43.2	21.6					
19				SN-WP-GN-UP	1075	(b 105	120,000	1260.00	117.2	19.5	b 87	120,000	1044.00	97.1	16.2
20						g(c 105	80,000	840.00	78.1	19.5	c 87	80,000	696.00	64.7	16.2
21						(c 130½	40,000	522.00	48.6	24.3	c104	40,000	416.00	38.7	19.3
22				SN-SP-UP	976	(b 87	120,000	1044.00	106.7	17.8					
23						d(c 87	80,000	696.00	71.2	17.8					
24						(c 104	40,000	416.00	42.5	21.3					
25		Manteca, Cal.	Yakima,Wash.	TS-WP-GN-NP	1128	(b 106	120,000	1272.00	112.8	18.8	b 87	120,000	1044.00	92.6	15.4
26						h(c 106	80,000	848.00	75.2	18.8	c 87	80,000	696.00	61.7	15.4
27						(c 130½	40,000	522.00	46.3	23.1	c104	40,000	416.00	36.9	18.4
28				SP-NP	1007	(b 87	120,000	1044.00	103.7	17.3					
29						d(c 87	80,000	696.00	69.1	17.3					
30						(c 104	40,000	416.00	41.3	20.7					
31				TS-WP-GN-UP	1118	(b 107	120,000	1284.00	114.8	19.1	b 87	120,000	1044.00	93.4	15.6
32						i(c 107	80,000	856.00	76.6	19.1	c 87	80,000	696.00	62.3	15.6
33						(c 132½	40,000	530.00	47.4	23.7	c104	40,000	416.00	37.2	18.6
34				SP-UP	1021	(b 87	120,000	1044.00	102.3	17.0					
35						d(c 87	80,000	696.00	68.2	17.0					
36						(c 104	40,000	416.00	40.7	20.4					

SUGAR

Explanation of Reference Marks

a - Combination of Rates Over Seattle, Wash. (lower than Combination over Portland, Ore.), Constructed From Following Factors:

Crockett, Cal. To Seattle, Wash.: b 69¢ - 120,000 lbs.) Item 10112, Tariff 1-S, ICC 1352, Pacific Southcoast Freight
c 69¢ - 80,000 lbs.) Bureau, Agent. Rates are published as not subject to Tariff
c 86¢ - 40,000 lbs.) of Increased Rates and Charges X-223.

Seattle, Wash. To Yakima, Wash.: b 37 ¢ - 120,000 lbs.) Item 7910-C, Tariff 2-P, ICC 1001, North Pacific Coast
c 37 ¢ - 80,000 lbs.) Freight Bureau, Agent. Rates are published as not subject
c 44½¢ - 40,000 lbs.) to Tariff of Increased Rates and Charges X-223.

b - Applies only on Shipments in Bulk, in Self-Clearing Permanently Enclosed Cars provided with opening for loading through th roof and outlets at bottom for unloading.

c - Applies only on Shipments in Packages.

d - Item 10112, Tariff 1-S, ICC 1352, Pacific Southcoast Freight Bureau, Agent.

e - Combination of Rates Over Portland, Ore., Constructed From Following Factors:

Crockett, Cal. To Portland, Ore.: b 63 ¢ - 120,000 lbs.) Item 10112, Tariff 1-S, ICC 1352, Pacific Southcoast Freigh
c 63 ¢ - 80,000 lbs.) Bureau, Agent. Rates are published as not subject to Tarif
c 80 ¢ - 40,000 lbs.) of Increased Rates and Charges X-223.

Portland, Ore. To Yakima, Wash.: b 44 ¢ - 120,000 lbs.) Item 7910-C, Tariff 2-P, ICC 1001, North Pacific Coast
c 44 ¢ - 80,000 lbs.) Freight Bureau, Agent. Rates are published as not subject
c 52½¢ - 40,000 lbs.) to Tariff of Increased Rates and Charges X-223.

f - Combination of Rates Over Seattle, Wash. (lower than Combination Over Portland, Ore.), Constructed From Following Factors:

Clarksburg, Cal. To Seattle, Wash.: b 67¢ - 120,000 lbs.) Item 10112, Tariff 1-S, ICC 1352, Pacific Southcoast Freig
c 67¢ - 80,000 lbs.) Bureau, Agent. Rates are published as not subject to
c 80¢ - 40,000 lbs.) Tariff of Increased Rates and Charges X-223.

Seattle, Wash. To Yakima, Wash.: As in (a) above.

g - Combination of Rates Over Portland, Ore., Constructed From Following Factors:

Clarksburg, Cal. To Portland, Ore.: b 61¢ - 120,000 lbs.) Item 10112, Tariff 1-S, ICC 1352, Pacific Southcoast
c 61¢ - 80,000 lbs.) Freight Bureau, Agent. Rates are published as not subject
c 78¢ - 40,000 lbs.) to Tariff of Increased Rates and Charges X-223.

Portland, Ore. To Yakima, Wash.: As in (e) above.

(Continued)

Explanation of Reference Marks

[fol. 549]

h - Combination of Rates Over Seattle, Wash. (lower than Combination Over Portland, Ore.), Constructed From Following Factors:

Manteca, Cal. To Seattle, Wash.: b 69¢ - 120,000 lbs.) Item 10112, Tariff 1-S, ICC 1352, Pacific Southcoast Freight
c 69¢ - 80,000 lbs.) Bureau, Agent. Rates are published as not subject to Tariff
c 86¢ - 40,000 lbs.) of Increased Rates and Charges X-223.

Seattle, Wash. To Yakima, Wash.: As in (a) above.

i - Combination of Rates Over Portland, Ore., Constructed From Following Factors:

Manteca, Cal. To Portland, Ore.: b 63¢ - 120,000 lbs.) Item 10112, Tariff 1-S, ICC 1352, Pacific Southcoast Freight
c 63¢ - 80,000 lbs.) Bureau, Agent. Rates are published as not subject to Tariff
c 80¢ - 40,000 lbs.) of Increased Rates and Charges X-223.

Portland, Ore. To Yakima, Wash.: As in (c) above.

Representative Commodities on which present combination rates applicable via Bieber and Portland thence Northern Pacific Railway or Union Pacific Railroad Company are compared with joint through rates in effect via defendant's routes with the Southern Pacific Company via Portland.

(Rates are in Cents per 100 pounds and include Ex Parte 223 increase)

COLUMNS/1:	2	3	4	5	6	7	8	9	10	11	12	13	14	15
L:						PRESENT					PROPOSED			
I: COMMOD-	FROM	TO	VIA	MILES	RATE	Min.Wt. (Lbs.):	Per Car ($)	PCPW (¢)	PTPW (Mills)	RATE	Min.Wt. (Lbs.):	Per Car ($)	PCPW (¢)	PTPW (Mills)
N: ITY														
E:														
1: Wheat	Dayton,	San Fran-	NP-GN-WP	1373	a 87½	110,000	962.50	70.1	12.7	67½	110,000	742.50	54.1	9.8
2:	Wash.	cisco, Cal.	NP-SP	1205	b 67½	110,000	742.50	61.6	11.2					
3:			UP-GN-WP	1169	c 87½	110,000	962.50	82.3	15.0	67½	110,000	742.50	63.5	11.5
4:			UP-SP	1001	b 67½	110,000	742.50	74.2	13.5					
5:	Dayton,	Los Angeles,	NP-GN-WP-											
6:	Wash.	Cal.	AT&SF	1795	d 119	110,000	1309.00	72.9	13.3	99	110,000	1089.00	60.7	11.0
7:			NP-SP	1578	e 99	110,000	1089.00	69.0	12.5					
8:			NP-SP-											
9:			AT&SF	1696	e 99	110,000	1089.00	64.2	11.7					
10:			UP-GN-WP-											
11:			AT&SF	1592	f 119	110,000	1309.00	82.2	14.9	99	110,000	1089.00	68.4	12.4
12:			UP-SP	1374	e 99	110,000	1089.00	79.3	14.4					
13:			UP-SP-											
14:			AT&SF	1492	e 99	110,000	1089.00	73.0	13.3					
15:	Lewis-	San Fran-	CamP-NP-											
16:	ton,	cisco, Cal.	GN-WP	1413	g 96½	110,000	1061.50	75.1	13.7	74	110,000	814.00	57.6	10.5
17:	Idaho		CamP-NP-SP	1245	h 74	110,000	814.00	65.4	11.9					
18:			CamP-UP-											
19:			GN-WP	1242	g 96½	110,000	1061.50	85.5	15.5	74	110,000	814.00	65.5	11.9
20:			CamP-UP-SP	1074	h 74	110,000	814.00	75.8	13.8					
21:	Lewis-	Los Angeles,	CamP-NP-											
22:	ton,	Cal.	GN-WP-ATSF	1836	i 128	110,000	1408.00	76.7	13.9	105	110,000	1155.00	62.9	11.4
23:	Idaho		CamP-NP-SP	1618	i 105	110,000	1155.00	71.4	13.0					
24:			CamP-NP-											
25:			SP-ATSF	1736	i 105	110,000	1155.00	66.5	12.1					
26:			CamP-UP-											
27:			GN-WP-ATSF	1685	i 128	110,000	1408.00	83.6	15.4	105	110,000	1155.00	68.6	12.6
28:			CamP-UP-SP	1447	i 105	110,000	1155.00	79.8	14.3					
29:			CamP-UP-											
30:			SP-ATSF	1563	i 105	110,000	1155.00	73.8	13.4					

NOTES

Explanation of Reference Marks

a - Combination of Rates Over Portland, Ore., Constructed From Following Factors:

Dayton, Wash. To Portland, Ore.: 20½¢ - Minimum Weight: Marked Capacity of car used. Item 2230-A, Tariff 10-O, ICC 978, North Pacific Coast Freight Bureau, Agent.

Portland, Ore. To San Francisco, Cal.: 67½¢ - Minimum Weight: Marked Capacity of car used. Item 6700-A, Tariff 241-E, ICC 1577, Pacific Southcoast Freight Bureau, Agent.

b - Item 6745-A, Tariff 241-E, ICC 1577, Pacific Southcoast Freight Bureau, Agent.

c - Combination of Rates Over Portland, Ore., Constructed From Following Factors:

Dayton, Wash. To Portland, Ore.: 20½¢ - Minimum Weight: Marked Capacity of car used. Item 2896-A, Tariff 10-O, ICC 978, North Pacific Coast Freight Bureau, Agent.

Portland, Ore. To San Francisco, Cal.: As in (a) above.

d - Combination of Rates Over Portland, Ore., Constructed From Following Factors:

Dayton, Wash. To Portland, Ore.: As in (a) above.

Portland, Ore. To Los Angeles, Cal.: 99¢ - Minimum Weight: Marked Capacity of car used. Item 6716-A, Tariff 241-E, ICC 1577, Pacific Southcoast Freight Bureau, Agent.

e - Item 6755-A, Tariff 241-E, ICC 1577, Pacific Southcoast Freight Bureau, Agent.

f - Combination of Rates Over Portland, Ore., Constructed From Following Factors:

Dayton, Wash. To Portland, Ore.: As in (c) above.

Portland, Ore. To Los Angeles, Cal.: As in (d) above.

g - Combination of Rates Over Portland, Ore., Constructed From Following Factors:

Lewiston, Ida. To Portland, Ore.: 29½¢ - Minimum Weight: Marked Capacity of car used. Item 1532-A, Tariff 10-O, ICC 978, North Pacific Coast Freight Bureau, Agent.

Portland, Ore. To San Francisco, Cal.: As in (a) above.

h - Item 6800-A, Tariff 241-E, ICC 1577, Pacific Southcoast Freight Bureau, Agent.

(Continued)

WHEAT (Continued)

Explanation of Reference Marks

i - Combination of Rates Over Portland, Ore., Constructed From Following Factors:

Lewiston, Ida. To Portland, Ore.: As in (g) above.

Portland, Ore. To Los Angeles, Cal.: As in (d) above.

j - Item 6815-A, Tariff 241-E, ICC 1577, Pacific Southcoast Freight Bureau, Agent.

Representative commodities on which present combination rates applicable via Ellsworth and Portland Oregon
Southern Pacific Railway or Union Pacific Railroad Company are compared with joint through rates in
effect via defendant's routes with the Southern Pacific Company via Portland.

(Rates are in Cents per 100 pounds and include 6% Parte 223 increase)

COLUMNS/1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
						PRESENT					PROPOSED			
ITEM/COMMODITY	FROM	TO	VIA	Miles	RATE	Min.Wt. (Lbs.)	Per Car ($)	PCFM ($)	PTFM (Mills)	RATE	Min.Wt. (Lbs.)	Per Car ($)	PCFM ($)	PTFM (Mills)
1 Wood-	Lewiston	San Fran-	CamP-NP-	1413	a(106	80,000	848.00	60.0	15.0	77	80,000	616.00	43.6	10.9
2 pulp	Idaho	cisco, Cal.	GN-WP		(b97	80,000	776.00	54.9	13.7					
3			CamP-NP-SP	1245	c 77	80,000	616.00	49.5	12.4					
4			CamP-UP	1242	a(106	80,000	848.00	68.3	17.1	77	80,000	616.00	49.6	12.4
5			GN-WP		(b97	80,000	776.00	62.5	15.6					
6			CamP-UP-	1074	c 77	80,000	616.00	57.4	14.3					
7		Fullerton,	CamP-NP-	1823	-	100,000	-	-	-	84	100,000	840.00	46.1	9.2
8		Cal.	GN-WP-ATSF		e(124½	80,000	996.00	54.6	13.7	97	80,000	776.00	42.6	10.6
9					(b115	80,000	920.00	50.5	12.6	b85	80,000	680.00	37.3	9.3
10			CamP-NP-	1644	c(f 84	100,000	840.00	51.1	10.2					
11			SP-PE		(97	80,000	776.00	47.2	11.8					
12					g b 85	80,000	680.00	41.4	10.3					
13			CamP-NP-	1723	c(f 84	100,000	840.00	48.8	9.8					
14			SP-AT&SF		(97	80,000	776.00	45.0	11.3					
15					g b 85	80,000	680.00	39.5	9.9					
16			CamP-UP-	1652	-	100,000	-	-	-	84	100,000	840.00	50.8	10.2
17			GN-WP-ATSF		e(124½	80,000	996.00	60.3	15.1	97	80,000	776.00	47.0	11.7
18					(b115	80,000	920.00	55.7	13.9	b85	80,000	680.00	41.2	10.3
19			CamP-UP-	1473	c(f 84	100,000	840.00	57.0	11.4					
20					(97	80,000	776.00	52.7	13.2					
21					g b 85	80,000	680.00	46.2	11.5					
22			CamP-UP-	1552	c(f 84	100,000	840.00	54.1	10.8					
23			SP-ATSF		(97	80,000	776.00	50.0	12.5					
24					g b 85	80,000	680.00	43.8	11.0					

WOODPULP

Explanation of Reference Marks

a - Combination of Rates Over Portland, Ore., Constructed From Following Factors:

Lewiston, Ida. To Portland, Ore.:	40½¢ - 80,000 lbs.	Item 8340-B, Tariff 2-P, ICC 1001, North Pacific Coast Freight Bureau, Agent.
Portland, Ore. To San Francisco, Cal.:	(65½¢ - 80,000 lbs.	Item 10585-K, Tariff 1-S, ICC 1352, Pacific Southcoast Freight Bureau, Agent. Rates Published as not subject to Increases provided in Tariff of Increased Rates and Charges X-223.
	(b56½¢- 80,000 lbs.	Item 10600-J, Tariff 1-S, ICC 1352, Pacific Southcoast Freight Bureau, Agent.

b - Rate only applies when Moisture Content is in Excess of 40% at time of Shipment.

c - Item 10585-K, Tariff 1-S, ICC 1352, Pacific Southcoast Freight Bureau, Agent. Rates Published as not subject to Increases provided in Tariff of Increased Rates and Charges X-223.

e - Combination of Rates Over Portland, Ore., Constructed From Following Factors:

Lewiston, Ida. To Portland, Ore.:	As in (a) above.	
Portland, Ore. To Fullerton, Cal.:	(84¢ - 80,000 lbs.	Item 10585-K, Tariff 1-S, ICC 1352, Pacific Southcoast Freight Bureau, Agent. Rates Published as not subject to Increases provided in Tariff of Increased Rates and Charges X-223.
	(b75¢ - 80,000 lbs.	Item 10605-E, Tariff 1-S, ICC 1352, Pacific Southcoast Freight Bureau, Agent.

f - Approved PSFB-NPCFB Joint Docket 9067, not yet published. See Pacific Southcoast Freight Bureau Rate Advice B-1163, dated April 7, 1961.

g - Item 10606-H, Tariff 1-S, ICC 1352, Pacific Southcoast Freight Bureau, Agent.

Representative commodities on which present combination rates applicable via Lewiston and Portland, Spokane Northern Pacific Railway or Union Pacific Railroad Company are compared with joint through rates in effect via defendant's routes with the Southern Pacific Company via Portland.

(Rates are in Cents per 100 pounds and include Ex Parte 223 increase)

COLUMN NO.	2	3	4	5	6	7	8	9	10	11	12	13	14	15
						PRESENT				PROPOSED				
ITEM NO.	COMMODITY	FROM	TO	VIA	MILES	RATE	Min. Wt. (Lbs.)	Per Car ($)	PCFM (¢)	PTFM (Mills)	RATE	Min. Wt. (Lbs.)	Per Car ($)	PCFM (¢)	PTFM (Mill
1	Wrapping Paper	Lewiston, Idaho	San Francisco, Cal.	CamP-NP-GN-WP	1413	a(151	(b90,000	1359.00	96.2	21.4	94	(b90,000	846.00	59.9	13.3
2						(	(c70,000	1057.00	74.8	21.4		(c70,000	658.00	46.6	13.3
3						(158	40,000	632.00	44.7	22.4	102	40,000	408.00	28.9	14.4
4				CamP-NP-SP	1245	(94	(b90,000	846.00	68.0	15.1					
5						d(	(c70,000	658.00	52.9	15.1					
6						(102	40,000	408.00	32.8	16.4					
7				CamP-UP-GN-WP	1242	a(151	(b90,000	1359.00	109.4	24.3	94	(b90,000	846.00	68.1	15.1
8						(	(c70,000	1057.00	85.1	24.3		(c70,000	658.00	53.0	15.1
9						(158	40,000	632.00	50.9	25.4	102	40,000	408.00	32.9	16.4
10				CamP-UP-SP	1074	d(94	(b90,000	846.00	78.8	17.5					
11						(	(c70,000	658.00	61.3	17.5					
12						(102	40,000	408.00	38.0	19.0					
13		Lewiston, Idaho	Los Angeles, Cal.	CamP-NP-GN-WP-ATSF	1836	e(172	(b90,000	1548.00	84.3	18.7	112	(b90,000	1008.00	54.9	12.2
14						(	(c70,000	1204.00	65.6	18.7		(c70,000	784.00	42.7	12.2
15						(179	40,000	716.00	39.0	19.5	120	40,000	480.00	26.1	13.1
16				CamP-NP-SP	1618	d(112	(b90,000	1008.00	62.3	13.8					
17						(	(c70,000	784.00	48.5	13.8					
18						(120	40,000	480.00	29.7	14.8					
19				CamP-NP-SP-ATSF	1736	d(112	(b90,000	1008.00	58.1	12.9					
20						(	(c70,000	784.00	45.2	12.9					
21						(120	40,000	480.00	27.7	13.8					
22				CamP-UP-GN-WP-ATSF	1665	e(172	(b90,000	1548.00	93.0	20.7	112	(b 90,000	1008.00	60.5	13.5
23						(	(c70,000	1204.00	72.3	20.7		(c 70,000	784.00	47.1	13.5
24						(179	40,000	716.00	43.0	21.5	120	40,000	480.00	28.8	14.4
25				CamP-UP-SP	1447	d(112	(b90,000	1008.00	69.7	15.5					
26						(	(c70,000	784.00	54.2	15.5					
27						(120	40,000	480.00	33.2	16.6					
28				CamP-UP-SP-ATSF	1565	d(112	(b90,000	1008.00	64.4	14.3					
29						(	(c70,000	784.00	50.1	14.3					
30						(120	40,000	480.00	30.7	15.3					
31		Millwood, Wash.	San Francisco, Cal.	GN-WP	1059	f(85	(b90,000	765.00	72.2	16.1					
32						(	(c70,000	595.00	56.2	16.1					
33						(92	40,000	368.00	34.8	17.4					
34		Millwood, Wash.	Los Angeles, Cal.	GN-WP	1482	f(102	(b90,000	918.00	61.9	13.8					
35						(	(c70,000	714.00	48.2	13.8					
36						(109	40,000	436.00	29.4	14.7					

WRAPPING PAPER

Explanation of Reference Marks

a - Combination of Rates Over Portland, Ore., Constructed From Following Factors:

Lewiston, Ida. To Portland, Ore.: 79¢ - 40,000 lbs.) Item 1200, Tariff 80-M, ICC 1020, North Pacific Coast Freight Bureau, Agent.

Portland, Ore. To San Francisco, Cal.: 73¢ - (b 90,000 lbs.)
(c 70,000 lbs.) Item 8858½-I, Tariff 1-S, ICC 1352, Pacific Southcoast
80¢ - 40,000 lbs.) Freight Bureau, Agent.
101¢ - 30,000 lbs.)

b - Applies when shipped in cars over 41 feet, 7 inches in length to and including 50 feet, 6 inches in length (inside measurement).

c - Applies when shipped in cars not over 41 feet, 7 inches in length (inside measurement).

d - Item 8859-G, Tariff 1-S, ICC 1352, Pacific Southcoast Freight Bureau, Agent.

e - Combination of Rates Over Portland, Ore., Constructed From Following Factors:

Lewiston, Ida. To Portland, Ore.: As in (a) above.

Portland, Ore. To Los Angeles, Cal.: 94¢ - (b 90,000 lbs.)
(c 70,000 lbs.)
101¢ - 40,000 lbs.) Item 8858½-I, Tariff 1-S, ICC 1352, Pacific Southcoast
111¢ - 36,000 lbs.) Freight Bureau, Agent.
128¢ - 30,000 lbs.)

f - Item 8859.2-L, Tariff 1-S, ICC 1352, Pacific Southcoast Freight Bureau, Agent.